

CITY OF MOLALLA CITY COUNCIL REGULAR MEETING AGENDA

Civic Center | 315 Kennel Avenue Wednesday, April 9, 2025 | 7:00 PM

NOTICE: City Council will hold this meeting in-person and through video Live-Streaming on the City's Facebook Page and YouTube Channel. Written comments may be delivered to City Hall or emailed to recorder@cityofmolalla.com. Submissions must be received by 12:00 p.m. the day of the meeting.

This institution is an equal opportunity employer.

1. CALL TO ORDER AND FLAG SALUTE

2. ROLL CALL

3. CONSENT AGENDA

- A. City Council Meeting Minutes March 19, 2025
- B. City Council Meeting Minutes March 26, 2025
- C. New OLCC License Molalla Petroleum, LLC.
- D. New OLCC Liquor License Cache Liquidation, Location Change
- E. Library Board Application and Serial Communication
- F. Contract Award Lola Avenue Sewer and Water Line Replacement

4. PRESENTATIONS, PROCLAMATIONS, CEREMONIES

A. Oregon Association of Water Utilities - OAWU (Corthell/Kelly)

5. PUBLIC COMMENT

(Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The City Council does not generally engage in dialogue with those making comments but may refer the issue to the City Manager. Complaints shall first be addressed at the department level prior to addressing the City Council.)

6. PUBLIC HEARINGS

7. ORDINANCES AND RESOLUTIONS

- A. Resolution No. 2025-02: Authorizing a Contingency Transfer in the Street Fund (Chauran)
- B. Resolution No. 2025-04: Authorizing a Contingency Transfer in the Sewer Fund (Chauran)

8. GENERAL BUSINESS

- A. Installation of EV Pole Chargers City and PGE Collaboration (Corthell/Miller)
- B. City Manager Contract Renewal (Keyser/Council)

9. STAFF COMMUNICATION

10. COUNCIL COMMUNICATION

11. ADJOURN

Agenda posted at City Hall, Library, and the City Website at http://www.cityofmolalla.com/meetings.This meeting location is wheelchair accessible. Disabled individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-829-6855.





Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, April 9, 2025 Submitted by: Christie Teets, City Recorder Approved by: Dan Huff, City Manager

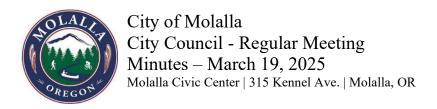
SUBJECT: City Council Meeting Minutes - March 19, 2025

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

ATTACHMENTS:

3-19-2025 CC Meeting Minutes Molalla City Council Letter of Support - Mayor Keyser.pdf



CALL TO ORDER

The Molalla City Council Meeting of March 19, 2025 was called to order by Mayor Scott Keyser at 6:00 pm.

COUNCIL ATTENDANCE

Present: Council President Eric Vermillion, Councilor Martin Bartholomew, Councilor RaeLynn Botsford, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, and Mayor Scott Keyser.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Dan Zinder, Senior Planner; Crystal Robles, Records Specialist.

Guest Speaker in Attendance: Johnson Economics Consultant, Brenden Buckley.

APPROVAL OF AGENDA

Mayor Keyser announced the Executive Session scheduled on the agenda was cancelled and requested a motion to amend the agenda accordingly.

ACTION:

Council President Eric Vermillion made a motion to remove items numbered 11 and 12, Executive Session and Reconvene into Regular Session from the evening's agenda; Councilor Childress seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

CONSENT AGENDA

None.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

None.

PUBLIC COMMENT

None.

PUBLIC HEARINGS

A. Ordinance No. 2025-02: Amending and Updating the City of Molalla Comprehensive Plan to Adopt the 2025 Economic Opportunity Analysis and Buildable Lands Inventory

Mayor Keyser reconvened the Public Hearing from the February 12th City Council Meeting Public Hearing regarding Ordinance No. 2025-02 at 06:07pm, no present Council Members acknowledged potential conflicts of interest.

Senior Planner Zinder Senior Planner presented the Economic Opportunities Analysis (EOA) and updates to the Comprehensive Plan (Comp Plan) to City Council. The EOA, funded by a DLCD grant, will help determine the City's 20-year Employment Land Needs and identify target industries, as part of the Urban Growth Boundary (UGB) expansion process. The City's last EOA was in 2004, and the new analysis will guide economic development and zoning decisions. Mr. Zinder also highlighted key changes to the Comprehensive Plan, including removing provisions related to recreational lands outside the UGB, industrial land designation, and the location of industrial lands.

Johnson Economics Consultant Buckley expanded on the Economic Opportunities Analysis (EOA), focusing on revisions to the Buildable Lands Inventory (BLI), sharing the overall findings remained consistent, some updates were made to reflect more accurate data such as the Avison Mill site, which shows 36 buildable acres, making it one of the largest industrial site available. Overall more than 90% of the City's remaining sites are under five acres, with a significant shortage of medium to large sites. Mr. Buckley estimated 41 acres of commercial land and 80 acres of

industrial land are still required over the next 20 years. These findings contribute to the ongoing Urban Growth Boundary (UGB) process, where both commercial and residential land needs were addressed.

(For a complete account of the discussion, please refer to the YouTube video recording from minutes: 2:45 to 17:02)

With no Public Comment received, Mayor Keyser closed the Public Hearing on Ordinance 2025-02 at 6:20 p.m.

ORDINANCES AND RESOLUTIONS

A. Ordinance No. 2025-02: Amending and Updating the City of Molalla Comprehensive Plan to Adopt the 2025 Economic Opportunity Analysis and Buildable Lands Inventory

Staff had no further comments or information to provide regarding Ordinance No. 2025-02, and no additional staff report was presented.

ACTION:

Council President Vermillion moved City Council to conduct first reading of Ordinance No. 2025-02, An Ordinance of the City of Molalla Oregon changing the Molalla Comprehensive Plan to reflect the goals and policy objectives of the 2025 Economic Opportunity Analysis and Buildable Lands Inventory and proposed Comprehensive Plan updates by title only; Councilor Shankle seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

ACTION:

Councilor Botsford moved the City Council conduct the second reading and adoption of Ordinance No. 2025-02, An Ordinance of the City of Molalla Oregon changing the Molalla Comprehensive Plan to reflect the goals and policy objectives of the 2025 Economic Opportunity Analysis and Buildable Lands Inventory and proposed Comprehensive Plan updates by title only; Councilor Childress seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

GENERAL BUSINESS

A. Parkland Dedication or Fee in Lieu for Subdivisions and Master Planning Areas

Assistant City Manager Mac Corthell provided staff report on updates to the City's parkland dedication requirements and relevant policies. The 2014 Molalla Comprehensive Plan mandated that developers either provide park space or pay a fee to support park space availability and improvements. However, the current development code does not align with the requirement. A new standard of seven acres of parkland per 1,000 residents was adopted in the Parks, Recreation, and Trails System Plan on February 12, 2025, with adjustments based on density and development type. Under the revised policy, developers of residential land divisions (4 or more lots), master-planned developments, and multi-family projects would be required to dedicate parkland or pay a fee before building permits are issued. The dedication will follow a formula based on the number of dwelling units and density. A fee-in-lieu option would be available when parkland dedication is impractical.

(For a complete account of the discussion, please refer to the YouTube video recording from minutes 20:06 to 1:15:00)

B. Bohlander Field Pedestrian & Traffic Safety Improvements

Assistant City Manager Corthell provided staff report that focused on improving pedestrian and traffic safety at Bohlander Field, which serves as the main parking area for several local events, including the Molalla Buckaroo. The project, estimated to cost \$45,000, aims to improve safety by updating: traffic patterns, pedestrian safety, and disabled parking at Bohlander Field. City Manager Huff noted the project team is aiming to avoid issues with the catch basin area, as addressing it would significantly increase the project's costs. The improvements include a new entrance to reduce vehicle-pedestrian conflicts, installation of removable bollards to block vehicles from entering pedestrian zones during events, and upgraded striping and signage, particularly for disabled parking. The bollards will be deployed during events and removed afterward, with signage informing the public of road closures. City Manager Huff shared the improvements inspired by Lieutenant Call, whom initially proposed redesigning the entrance during previous summer's Buckaroo event. Sharing the changes are expected to make it significantly easier for the Police Department to manage traffic flow during events

(For a complete account of the discussion, please refer to the YouTube video recording from minutes 01:15:15 to 1:30:30)

ACTION:

Council President Vermillion made a motion to approve the Bohlander Field, Traffic, and Pedestrian Improvement Project; Councilor Botsford Seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

C. T-Mobile Hometown Grant Project and Project Approval

Assistant City Manager Corthell explained that the Self-Hoisting Banner Pole System project is not currently included in the Capital Plan. However, he highlighted that the Decorative Banner Holders project would significantly enhance North Molalla Avenue with decorative poles, similar to those found in other communities. The estimated cost for fabrication and installation is \$43,000. The Beautification & Culture CPC has long advocated for this project including the artistic embellishments for the banners. The embellishments, an additional \$5,500, were added to the grant application as an opportunity for community collaboration. The T-Mobile Hometown Grant aligns with the project's goals, offering revitalization funds for communities with populations of 50,000 or less, and a no match requirement.

ACTION:

Councilor Childress moved the City of Molalla approve the Banner System Project, authorize staff to apply for grants to finance the project, and authorize the Mayor to sign a Letter of Support on behalf of the City Council; Councilor Gilmer seconded. Motion passed 7-0.

AYES: Bartholomew, Botsford, Vermillion, Childress, Shankle, Gilmer, Keyser.

NAYS: None.

ABSENTIONS: None.

STAFF COMMUNICATION

- **Records Specialist Robles:** Provided a reminder for the next Council Meeting, March 26^{th,} and commended Mr. Corthell's team for a seamless informative presentation regarding Dedicated Parkland.
- Assistant City Manager Corthell: provided a quick update on the Wastewater Treatment Plant. He shared that the project is progressing well, and construction is on track. He emphasized the challenge of keeping the existing plant operational while integrating new features but assured that the old plant is running smoothly with no recent violations. He also praised the team's handling of recent weather, noting two inches of rain fell in about six hours, raising potential concerns, despite this, the crew managed the situation professionally, ensuring no setbacks.
- City Manager Huff: added to the Wastewater Treatment Plant discussion, highlighting the significant work done on the collection system over the past five to seven years, including the installation of Cured-in-Place Pipe (CPP) to address Infiltration and Inflow (I&I). The improvements have reduced groundwater entering the system, ensuring the plant will be in better shape when the new facility is ready, even with new growth in the area. Mr. Huff also provided an update on the Police Facility Project, noting that progress is moving, noting the building feels like a fully constructed space, though it's not quite ready for a public open house, a small tour for the City Council and the Police Committee members is being planned in the next month or two.

COUNCIL COMMUNICATION

- Councilor Bartholomew: no report.
- Councilor Gilmer: no report.
- Councilor Botsford: no report.
- Councilor Shankle: shared Spring Cleanup will be coming up soon, and the details will be included in water bills, Facebook and the City website. The event will take place on April 25th and 26th, Friday and Saturday, from 8:00 a.m. to 4:00 p.m.; the event is for those who reside within City limits only.
- Councilor Childress: no report.

- Council President Vermillion: shared on March 6th he attended the Annual Orientation Dinner and Networking event for C4, Mayor Keyser made statement regarding the poor condition of ODOT roads within Molalla City limits. After the Mayor's comments, he received verbal commitments to assist, including support from Clackamas County Commissioner Paul Savage, Canby Mayor Brian Hudson, and Tualatin Councilor Valerie Pratt, who also serve on the ODOT Region One Advisory Committee. He also shared the Parks Committee CPC meeting is March 20th at 5:30 PM at City Hall.
- Mayor Keyser: noted on March 8th, he participated in a roundtable discussion with Congresswoman Bynum, where he addressed the City's ODOT road issues, Housing Strategies Plan, and UGB concerns. He also provided an update on the \$2.5 million funding application for the City's Water Treatment Facility and mentioned an upcoming meeting with ODOT at City Hall. Additionally, the Mayor acknowledged the tragic suicide of longtime Molalla resident Jim Story and announced the passing of community figure Happy Jack, noting that the community is working to organize a memorial in his honor.

ADJOURN

Mayor Keyser adjourned the City Council meeting at 8:01pm.

For the complete video account of the City Council Meeting, please go to YouTube

"Molalla City Council Meetings - March 19, 2025"

Keyser, Mayor
Reysel, Mayor
CST:
ie Teets, CMC, City Recorder

Meeting Attachments:

 Banner Pole System Letter of Support on behalf of Mayor Keyser and the Molalla City Council for the T-Mobile Hometown Grant Project



City of Molalla - City Council

117 N Molalla Avenue, PO Box 248, Molalla OR 97038 Phone: (503) 829-6855 Fax: (503) 829-3676

March 4, 2025

Grant Administrator T-Mobile Hometown Grant 12920 SE 38th Street Bellevue, WA 98006

Re: City of Molalla Banner System Project Grant Application

To Whom It May Concern:

I'm writing on behalf of the Molalla City Council to express the Council's support for the Molalla Banner System project. This project will place a cross-street banner system in Molalla's downtown core and feature an artistic pillar design on each side of N Molalla Ave.

This project will provide significant impacts in the areas of aesthetics, economic development, public communication, enhanced partnerships, and more. Additionally, the project will be an artistic fixture in Molalla and serve the community for many decades to come.

Some of the opportunities this project will bring include but are by no means limited to:

- Enhanced knowledge of Molalla's events, businesses and recreational offerings.
- Improved local event marketing and coordination.
- Increased event attendance, and new partnership opportunities.
- Increased business and recreational amenity traffic.
- Enhanced interest in Molalla overall in terms of recreation, business, and events.
- Improved downtown streetscape through artistic pillar design.

Notably, Molalla's downtown core has not yet fully recovered from the pandemic. But today new businesses have begun filling the storefronts and with them comes new energy and that energy must be germinated lest it wither and parish. This project will provide a new and different type of support that can be shared with the local economy and community at very little cost after install, while at the same time enhancing the aesthetic of the area to include Molalla's first piece of functional art in the public domain. Thank you for your time and careful consideration.

Sincerely,

9. Kye Z Mayor Scott Keyser City of Molalla

CITY OF MOLALLA



Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, April 9, 2025 Submitted by: Christie Teets, City Recorder Approved by: Dan Huff, City Manager

SUBJECT: City Council Meeting Minutes - March 26, 2025

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

ATTACHMENTS:

3-26-2025 CC Meeting Minutes

3-26-2025 Public Comment Submitted

3-26-2025 LOC Invitation. President's Regional.pdf

Ordinance No. 2025-05 Efficiency Measures Presentation

Resolution No. 2025-05 HPS Presentation.pdf

3-26-25 CP E. Vermillion Notes.pdf



CALL TO ORDER

The Molalla City Council Meeting of March 26, 2025 was called to order by Mayor Scott Keyser at 7:00 pm.

COUNCIL ATTENDANCE

Present: Council President Eric Vermillion, Councilor Martin Bartholomew, Councilor RaeLynn Botsford, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, and Mayor Scott Keyser.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Christie Teets, City Recorder, Dan Zinder, Senior Planner; Jamie Viveiros, Associate Planner; and Cindy Chauran, Finance Director.

Guest Speaker in Attendance: Violet Brown with 3J Consulting.

EXECUTIVE SESSION ANNOUNCEMENT

Mayor Keyser announced prior to the Regular Meeting, Council met in Executive Session, held pursuant to Oregon Public Record Law, ORS 192-660(2) (i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing. Mayor Keyser confirmed no decisions were made during the Executive Session.

CONSENT AGENDA

- A. Work Session Meeting Minutes February 26, 2025
- B. City Council Meeting Minutes February 26, 2025
- C. City Council Meeting Minutes March 12, 2025
- D. On-Call Cured in Place Piping Services
- E. Intergovernmental Agreement for Public Safety Communication Services

ACTION:

Councilor Botsford made a motion to accept the Consent Agenda as presented; Council President Vermillion seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

- A. Budget Committee Appointment Laura Klyzek
- B. Budget Committee Appointment Amy Williams

Mayor Keyser sought consensus from the Council to proceed with the Budget Committee appointments, noting that one applicant was absent due to a scheduling conflict. The Council reached consensus and proceeded with the vote.

ACTION:

Mayor Keyser made a motion to appoint Laura Klyzek to the Budget Committee; Council President Vermillion seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

ACTION:

Council President Vermillion made a motion to appoint Amy Williams to the Budget Committee; Mayor Keyser seconded. Motion passed 7-0.

AYES: Bartholomew, Botsford, Vermillion, Childress, Shankle, Gilmer, Keyser.

NAYS: None.

ABSENTIONS: None.

PUBLIC COMMENT

City Recorder Teets noted Public Comments submitted for the evening pertained to specific items on the agenda.

PUBLIC HEARINGS

A. Ordinance No. 2025-05: Efficiency Measures; Changing Accessory Dwelling Unit Approvals From a Type II To a Type I Process and Comprehensive Plan Map and Zoning Map Changes.

Mayor Keyser opened Public Hearing for Efficiency Measures; Changing Accessory Dwelling Unit Approvals From a Type II To a Type I Process and Comprehensive Plan Map and Zoning Map Changes at 7:13pm; no present Council Members acknowledged potential conflicts of interest.

Senior Planner Zinder presented the staff report for Ordinance 2025-05, an overview of efficiency measures required by state law (ORS 197.296) before expanding the Urban Growth Boundary (UGB) for residential use. These measures, which include changing the ADU approval process from a Type 2 to Type 1, aimed to improve land use efficiency within the current UGB. The City also proposed zoning and comprehensive map changes to address residential and industrial land deficits, with adjustments to areas like R3 (high-density) and R2 (medium-density). Some residential areas in the southwest were removed based on community feedback. ODOT raised concerns about transportation impacts, prompting the City to provide additional findings to show the proposed changes will not negatively affect roadways.

In response to Mayor Keyser's question regarding the R3 zoning, Mr. Zinder clarified that it would account for 128 units out of the 399 identified in the Housing Needs Analysis (HNA); he further explained that approximately 287 units have already been built, with the apartments around town. He also noted that the City is getting close to meeting goal. Mr. Corthell further clarified that any additional residential land needed through the UGB process does not have to be high-density. The City will have enough high-density land to meet the 20-year land supply requirement for R-3, based on both the units already built (which were not included in the Housing Needs Analysis) and the capacity of the land being considered. He noted that urban design typically involves building more densely near the core of the City, with less density as development expands outward.

PUBLIC COMMENT

Lyle Stratton: a commercial real estate broker with 38 years of experience, spoke in opposition to Ordinance No. 2025-05.

Mayor Keyser closed the Public Hearing on Ordinance No. 2025-05 at 7:48 p.m.

(For a complete account of the discussion, please refer to the YouTube video recording from minutes: 06:50 to 45:38)

RECESS

With Council consensus Mayor Keyser recessed the Regular Council Meeting at 7:50 p.m. due to a question raised regarding Measure 37 to allow time for clarifying research. (For an account of the recess, please refer to the YouTube video, minutes 46:09 - 54:44)

RECONVENE RECESS

Mayor Keyser reconvened the Council Meeting at 8:00pm.

Assistant City Manager Corthell clarified that the statute in question related to restricting residential use is not applicable to Ordinance No. 2025-02, as the proposed ordinance changes would enable residential use. Mr. Corthell read Measure 49 (noting it has replaced Measure 37), which in summary noted if a public entity enacts land use regulations that restrict residential use of private real property or farming/forestry practices in a way that reduces property value, the property owner is entitled to just compensation.

ORDINANCES AND RESOLUTIONS

A. Ordinance No. 2025-05: Efficiency Measures; Changing Accessory Dwelling Unit Approvals From a Type II to a Type I Process and Comprehensive Plan Map and Zoning Map Changes.

Staff had no further comments or information to provide regarding Ordinance No. 2025-05, and no additional staff report was presented.

ACTION:

Councilor Childress moved the City Council conduct the First Reading of Ordinance 2025-05, An Ordinance of the City of Molalla Oregon Changing Accessory Dwelling Unit Approvals to a Type I Process and Comprehensive Plan Map and Zoning Map Changes by title only; Councilor Botsford seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

ACTION:

Council President Vermillion moved the City Council conduct the Second Reading and Adoption of Ordinance No. 2025-05, An Ordinance of the City of Molalla Oregon Changing Accessory Dwelling Unit Approvals to a Type I Process and Comprehensive Plan Map and Zoning Map Changes by title only; Councilor Childress seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

B. Resolution No. 2025-05: Adopting the Housing Production Strategy

Senior Planner introduced Housing Production Strategy (HPS) noting it is a continuation of the report initially submitted in 2022. After submitting the draft to the Department of Land Conservation and Development (DLCD), they placed it on remand, advising that more public feedback from housing producers and consumers was needed. In response, the City reworked the strategy, hired 3J Consulting, and received a grant from DLCD to conduct a more comprehensive public process. Violet Brown with 3J Consulting noted the Housing Needs Analysis (HNA) projected Molalla would need 2,000 new housing units by 2042 to accommodate a population of over 15,000, focusing on affordable housing across all income levels; highlighting a demand for affordable rental units, especially for households earning less than \$75,000, with a notable shortage. The community engagement for Molalla's Housing Production Strategy (HPS) included one-on-one interviews with local key organizations; policies supported by the community included promoting cottage clusters, improving access to affordable housing options, and addressing barriers to homeownership. The Public Advisory Committee (PAC), Molalla Planning Commission, and County Housing Authorities, reviewed policies; notable suggestions included creating a library of resources for housing developers, working with faith-based organizations for affordable housing, and addressing "zombie housing" (unmaintained properties). Following possible adoption, the HPS will undergo a 90-day review by the Department of Land Conservation and Development (DLCD). Feedback will be incorporated, and there will be regular reports on progress, with a four-year midpoint review.

Mayor Keyser asked about the potential consequences if housing targets aren't met and Ms. Brown shared if housing units are not built within the specified timeframe, the DLCD steps in through their Accelerated Housing Program.

ACTION:

Councilor Botsford moved the City Council adopt Resolution No. 2025-05, a Resolution of the City of Molalla Adopting the 2025 Housing Production Strategy; Council President Vermillion seconded. Motion passed 7-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Botsford, Bartholomew, Keyser.

NAYS: None.

ABSENTIONS: None.

GENERAL BUSINESS

None.

STAFF COMMUNICATION

Senior Planner Zinder: No Report
Associate Jamie Viveiros: No Report

Assistant City Manager Corthell: As requested by Mayor Keyser Mr. Corthell shared an update regarding the recent ODOT meeting that focused on a possible jurisdictional transfer of OR 211 with ODOT Region 1, arranged by the Mayor. ODOT reiterated a lack of funding for road improvements, and while there is limited funding in the legislature, a Jurisdictional Transfer Advisory Committee (JTAC) is in place, which facilitates negotiations between ODOT and Cities regarding jurisdictional transfers. City Manager Huff added application for possible jurisdictional transfer is not simple and projections will need to be calculated. The discussion is preliminary and an option for a future step forward. On a positive note, a Catch Basin of OR211 will be reviewed and ODOT agreed to conduct repairs.

Mr. Corthell addressed concerns regarding Measure 49 claims, reassured the Council the City is in a good position. If a valid claim were filed, a 540-day window is available to issue a waiver, giving the City about a year and a half to discuss and resolve before facing any liability and have sufficient time to discuss with a City Attorney.

- Finance Director Chauran: No Report
- City Recorder Teets: made several announcements: Invitation to LOC President Luncheon on May 8th, LOC Conference in North Bend, Budget Committee has been filled, Application for appointment to Planning Commission was received, application for Appointment to Library Board received noting all Boards and Commissions would be filled soon, Statement of Economic Interest (SEI) is due April 15th for Council and Planning Commission, CCA Dinner Meetings this year in May, June, and October, City of Molalla is the June Host.
- City Manager Dan Huff: discussed the upcoming groundbreaking event at Chief Yelkus Park and proposed Wednesday, April 23rd, at 2:00pm with an official notice to follow soon.

COUNCIL COMMUNICATION

• Councilor Bartholomew: No Report

• Councilor Gilmer: No Report

• Councilor Botsford: Announced Fourth Friday Event

Councilor Shankle: No ReportCouncilor Childress: No Report

- Council President Vermillion: Provided details of upcoming Parks CPC Fundraising Events scheduled for March, April, and May 2025. For more information, please refer to the Meeting Minute Attachment.
- Mayor Scott Keyser: Reported on his busy schedule, including ODOT Meeting with City staff and Council President Vermillion. He noted he would be speaking at the Beavercreek Grange Prepping Event, reminded everyone of a Soup Fundraiser at the Molalla Grange. Mayor noted he was invited to attend a Mayor's Roundtable in Carver to discuss key topics with other Mayors regarding unfunded mandates, UGB, and Housing Strategy, and an upcoming C4 Meeting. Mayor Keyser highlighted the Council's ongoing work to support the City's growth and community engagement outside of Council Meetings.

RECESS INTO EXECUTIVE SESSION

Mayor Keyser announced the recess of Regular Meeting at 09:00pm to go into Executive Session, held pursuant to Oregon Public Record Law, ORS 192-660(2) (i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

Mayor Keyser adjourned Executive Session at 10:07pm.

RECONVENE

Mayor Keyser reconvened the Regular Session and noted no decisions were made during Executive Session.

ADJOURN

Mayor Keyser adjourned the City Council meeting at 10:11pm.

For the complete video account of the City Council Meeting, please go to <u>YouTube</u>
"Molalla City Council Meetings – March 26, 2025"
Scott Keyser, Mayor

PREPARED BY:	ATTEST:
Crystal Robles, Records Specialist	Christie Teets, CMC, City Recorder

Meeting Attachments:

- Public Comments
- LOC Invitation to Regional Meeting
- Ordinance No. 2025-05 Overview prepared by Senior Planner Dan Zinder
- Resolution No. 2025-05 Overview prepared by Senior Planner Dan Zinder
- Council President Council Report Communication Notes





March 25, 2025

Department of Land Conservation and Development

635 Capitol Street NE, Suite 150 Salem, Oregon 97301-2540

> Phone: 503-373-0050 Fax: 503-378-5518

www.oregon.gov/LCD

Dan Zinder City of Molalla 117 N. Molalla Ave Molalla, Oregon 97038 By email: dzinder@cityofmolalla.com

RE: City of Molalla proposed plan amendment DCA01-2025

Dear Mr. Zinder,

Please add the following comments to the record for Local File DCA01-2025, on behalf of the Department of Land Conservation and Development (DLCD).

Thank you for submission of the plan amendment notice to DLCD. The proposed amendment would change the comprehensive plan land use designations and zoning map for approximately 76 acres on over 40 properties in Molalla's urban growth boundary. We have reviewed the amendment and the findings of fact in the staff report and would like to make note of the following:

The original post-acknowledgement plan amendment notice that the city submitted to DLCD on February 20, 2025 did not include sufficient information about the proposal, including the current and proposed land use and zoning designations for the properties that are the subject of the amendment. After you submitted the updated information on March 13 and March 14, including the current and proposed land use designations and zoning designations, acreages, and maps, we considered the description to be adequate and we issued another notification of proposed amendment with the updated information. Due to the limited available time to review the materials, we advise the city to allow for additional time for review and consideration of the amendments if interested parties indicate to the city that they have not had adequate time to review prior to the March 26th hearing.¹

The changes in the city's proposed amendment would result in an overall deficit of industrial land to meet the 20-year need established in the city's recently adopted Economic Opportunities Analysis. As you note in your findings, this amendment is one of a few steps in the Sequential Urban Growth Boundary amendment process, with the final step being an amendment to the urban growth boundary. We understand the City's intent is to add land to the urban growth boundary for industrial purposes as part of the amendment, making up for the deficit created by the current proposal, and we support this approach.

¹ ORS 197.620 provides that a local government may cure the untimely submission of materials by either

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1

postponing the date for the final evidentiary hearing by the greater of 10 days or the number of days by which the submission was late; or by holding the evidentiary record open for an additional period of time equal to 10 days or the number of days by which the submission was late, whichever is greater.

The staff report includes findings for some of the City's Comprehensive Plan policies, but the city has not included findings for consistency with the Public Facilities element of the Comprehensive Plan.² The findings of fact in the staff report also leave out Statewide Planning Goal 11, Public Facilities. Without findings or evidence in the record, it is not clear whether these amendments to the comprehensive plan and zoning map are consistent with the size and location of planned infrastructure, such as waterline extensions, wastewater line extensions, and pump stations.

We also note a lack of explanation or evidence to support the city's findings for MMC 17-4.6.030 Annexation & Zone Change Approval Criteria, subsection (D), which states "The amendment must conform to Section 17-4.6.050 Transportation Planning Rule." The city's findings state:

"Molalla's Transportation Systems Plan has already considered the proposed areas as urbanized and none of the proposed changes to the comprehensive plan map or zoning map meet the "significance" thresholds of (OAR) 660-012-0060. Staff determines that no significant impact on the City's transportation systems will result from the proposed ordinance and that no further analysis is required. This criterion is met."

We advise the city to include an explanation that demonstrates how and why the proposed map changes fall below the "significance threshold" in the cited administrative rule.

While we do point out deficiencies in the city's findings, DLCD does not object to the nature of the changes proposed by this amendment. Please feel free to contact me at (971) 345-1987 kelly.reid@dlcd.oregon.gov if you have any questions.

Sincerely,

Kelly Reid, AICP

Kelly Reid

Regional Representative

DLCD

cc: Leigh McIlvaine, DLCD Employment Land specialist

Kevin Young, DLCD Goal 14 specialist

Gordon Howard, DLCD Community Services Division Manager

² There is no statute, statewide planning goal or administrative rule that generally requires that legislative land use decisions be supported by findings. *Port of St. Helens v. City of Scappoose*, 58 Or LUBA 122, 132 (2008). However, there are instances where the applicable statutes, rules or ordinances require findings to show compliance with applicable criteria. In addition, where a statute, rule or ordinance requires a local government to consider certain things in making a decision or to base its decision on an analysis, "there must be enough in the way of findings or accessible material in the record of the legislative act to show that applicable criteria were applied and that required considerations were indeed considered." *Citizens Against Irresponsible Growth v. Metro*, 179 Or App 12, 16 n 6, 38 P3d 956 (2002). Such findings serve the additional purpose of assuring that the director does not substitute her judgment for that of the local government. Id.; *Naumes Properties, LLC v. City of Central Point*, 46 Or LUBA 304, 314 (2004).



Department of Transportation

Transportation Region 1 123 NW Flanders St. Portland, OR 97209-4012 (503) 731-8200

Fax: (503) 731-8259

March 26, 2025

Molalla City Council 117 N Molalla Avenue Molalla, OR 97038

RE: City of Molalla March 26, 2025 Council Ordinance: City File DCA01-2025/ORD2025-05 Efficiency Measures; Changing Accessory Dwelling Unit Approvals From A Type II To A Type I Process and Comprehensive Plan Map and Zoning Map Changes.

City Councilors,

Please accept this letter from the Oregon Department of Transportation (ODOT) into the public record for the proposed ordinance: DCA01-2025/ORD2025-05 Efficiency Measures; Changing Accessory Dwelling Unit Approvals From A Type II To A Type I Process and Comprehensive Plan Map and Zoning Map Changes. ODOT has the following three areas of concern:

• Agency Notification

Oregon's Transportation Planning Rule (TPR) requires local governments outside metropolitan areas to adopt regulations that include providing required notice to ODOT and other parties in OAR 660-012-0045(2)(f). ODOT's planning team relies on local agency partners notification for proposed changes to land use or zoning to ensure compatibility with the State's current and planned highway network. ODOT staff learned about this proposal on March 19, 2025 from another agency. ODOT does not have a record of receiving this notification from the City. This is a procedural error and limits ODOT's ability to thoughtfully review proposals and work with the City of Molalla to help shape plans that are consistent with the Oregon Transportation Plan and its modal Highway Plan.

• Significant Effects

As noted in the staff report: the TPR, OAR 660-12-0060(1) directs cities and counties to review proposed plan changes to see if they would significantly affect an existing or planned transportation facility. The City's response to this requirement lacks sufficient detail to support the claim that the proposed changes would not have any significant effects for which mitigations may be required.

As an example, the ordinance proposes converting three industrially zoned taxlots along Hwy 213 at the new roundabout at S Toliver Rd from Industrial to G-2 General Commercial. The higher intensity commercial and retail uses allowed by the proposed G-2 zoning could impact highway safety and operations for the traveling public.



Department of Transportation

Transportation Region 1 123 NW Flanders St. Portland, OR 97209-4012 (503) 731-8200

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Accordingly, the City has not adequately addressed the requirements of OAR 660-12-0060. ODOT recommends the City provide further evidence (traffic analysis) to support the claim and evaluate the effect of zone changes on the transportation network to determine whether mitigations would be needed. At this time, ODOT cannot conclude that the planned transportation network can accommodate the proposed zoning changes and therefore object to the ordinance moving forward without accurate findings.

• Access Management

OAR 734-51 directs ODOT on management of access to and from public highways. Similarly, the City of Molalla's Code 17-3.3.030(D)1 states: *The number of approaches on higher classification streets* (e.g. collector and arterial streets) shall be minimized; where practicable, access shall be take first from a lower classification street. ODOT appreciates that this provision would help preserve the regional function of the highway system and would like affirmation from the City that future development on ODOT facilities will take access from lower classification local streets and would aim to use existing access points as well work to consolidate access on Hwy 211 and 213.

ODOT advises that the City Council action on this ordinance be postponed to a future meeting to allow City staff time to properly notice and document findings. If the action moves forward, ODOT recommends that City staff document the transportation impacts findings and provide materials for review within 2 weeks of the action to allow for review and the opportunity to appeal the decision. ODOT looks forward to partnering with the City of Molalla to document findings and work to provide safe and efficient transportation.

Sincerely,

Neelam Dorman, PE, TE Region 1 Planning Manager Oregon Department of Transportation 123 NW Flanders Street

Portland, OR 97209

cc: Rian Windsheimer, Region 1 Manager, ODOT Chris Ford, Policy & Development Manager, ODOT Paul Scarlett, Area Manager, ODOT Glen Bolen AICP, Principal Planner, ODOT Kelly Reid, Regional Representative, DLCD

Molalla Community Development Dept

PO Box 248

Molalla Oregon 97038

As an Owner of one of the properties on S. Lowe Road, I recently attended the February 26, 2025 city council meeting regarding the proposed re-zoning of (3) areas within the city limits from M to R Zones.

Back in 2018 I had reviewed portions of the following publications: Long Range Planning Issue Paper f#2020 – 1 Feb 11, 2020 from Clackamas County, Clackamas County Regional Housing Needs Analysis Sept 2019 Final Report, 2017 Molalla Residential BLI Results & Methodology from Winter Brook Community Resource Planning as related to our properties on S. Lowe Road during the we worked towards annexation.

I and two of my neighbors joined forces at that time to become annexed into the city with the intent of changing the zoning from the cities designated M2 Heavy Industrial to R3 High Density Residential. After large expenses to become annexed into the city we sought to change our zoning from M2 to R3 High Density only to be turned down.

Re-zoning the S. Lowe area from M2 to R1 and/or R2 would be Down Zoning us, meaning our current land values would drop in price per square foot. This is very detrimental to the Current Residents on S. Lowe Road. And deemed Unacceptable to Us.

I believe that the S. Lowe Road Neighborhood should be re-zoned to R3 High Density as we originally worked towards back in 2018-2022. Because of the Current Surroundings of this Neighborhood. R3 is Best Suited to the General Layout of Molalla.

Trina Johnson



From: Dan Zinder
To: Christie Teets
Cc: Violet Brown

Subject: FW: Citizen Feedback on HPS & UGB Project,
Date: Monday, March 24, 2025 3:35:04 PM

PUBLIC COMMENT: For the HPS.

Violet – cc'ing you just as a heads up.

Dan Zinder 503.759.0226

From: Paige Lantz <paige@lantz-construction.com>

Sent: Wednesday, March 12, 2025 7:17 PM

To: Doug Eaglebear <deaglebear@cityofmolalla.com>; Connie Sharp <csharp@cityofmolalla.com>; Clint Ancell <cancell@cityofmolalla.com>; Martin Ornelas <mornelas@cityofmolalla.com>; David Potts <dpotts@cityofmolalla.com>; Brady Rickey <bri>deaglebear@cityofmolalla.com>; Community Planner <communityplanner@cityofmolalla.com>; Dan Zinder <dzinder@cityofmolalla.com>; Scott Keyser <skeyser@cityofmolalla.com>; Jody Newland <jnewland@cityofmolalla.com>; Leota Childress lchildress@cityofmolalla.com>; Terry Shankle <tshankle@cityofmolalla.com>; Eric Vermillion <evermillion@cityofmolalla.com>; Rae-Lynn Botsford <rbotsford@cityofmolalla.com>; Darci Lightner <dlightner@cityofmolalla.com>

Subject: Citizen Feedback on HPS & UGB Project,

Hello Mayor, City Council, and Planning Commission Members,

My name is Paige Lantz, and I'm a mother of three young children and married to a 5th generation Molalla resident. I have lived in Molalla for twelve years and am writing on behalf of myself and my husband, Lee Lantz. I've been loosely following the Housing Production Strategies and Urban Growth Boundary Project through livestreams of City Council and Planning Commission meetings, and the City's social media accounts (I've taken the survey shared on Facebook). After the March 5th Planning Commission meeting, I wanted to share some feedback on the presentation from Violet Brown and the project in general.

1. The Public Engagement Process for the HSP was not robust enough.

- I do not believe that the Survey requesting feedback on the HSP/UGB plan was broadly shared enough amongst Molalla Citizens. It appeared that the main promotion of the survey was through social media and online. While digital recruitment is a great avenue, it leaves out many Molalla citizens who do not engage with civic matters on computers, smartphones, or social media. I'm not aware of other marketing efforts to promote the survey, and if there were any, I did not see them (although I was looking).
 - I know public engagement can be challenging, but I'm worried that some of the deep fabric of our community (long-term Molalla residents, older

residents etc.) did not know about the survey.

- I feel strongly that the Housing Strategy for Molalla should incorporate feedback, input, and opinions from diverse cross-sections of Molalla residents (out of city limits, in city limits, age and economically diverse population samples).
 - Having moved from Portland to Molalla twelve years ago for a small-town feel with country roots, *I believe the voices of long-term landowners, farm/ranch owners, and older citizens are particularly important to continue to shape and maintain the fabric of Molalla. I do not believe the Public Outreach for HSP/UGB survey(s) did a good job incorporating those citizens' feedback.*
- 2. The HSP presentation given by Violet Brown on March 5th was "cookie cutter" and lacked a dynamic and deep vision for Molalla.
 - The studies Ms. Brown presented on Molalla's housing plan seemed to be largely data driven (and data and can be skewed in many directions). The findings did not include a vision or mission statement about the type of community we want to maintain or create in Molalla. I know that it's possible that was the intent of her studies, but I want to flag I do not think her findings were comprehensive enough to form valid opinions on housing strategies.
 - The recommendations Ms. Brown presented seemed that they could be applied to most any rural town outside of a large metropolitan area with a population of around 10k.
 - I hope that we can embody Molalla's history, heritage, and culture (rural, logging, rodeo etc.) in the Housing Plan, not just economic forecasts and data.
 - I think the questions we ask ourselves are:
 - "Do we plan for where we currently are and what the economic demographics forecasts show, or do we plan for the town we want to be."
 - "What demographics of citizens and types of businesses do we want to attract to create a robust Molalla economy, unique sense of place (which I believe creates individual happiness), and maintain a tightknit small town "help each other out" type of community?"
- 3. Increasing density should be planned with consideration for quality of life and culture in Molalla.
 - While I do not support more density via expensive (or "affordable subsidized") apartments, I do support density increases through ADUS and Cottage Clusters. ADUs and Cottage Clusters promote more of a sense of community and inclusion than apartments, and also allow for multi-generations to live on a property together (or support caretaking situations for mental illness/decreasing homelessness).
- 4. We should focus on policies that attract the type of developers that will build housing that supports our vision for Molalla.

 I do not support tax incentives for developers who build "affordable housing". I believe this is counter-productive for free market capitalism and does not support maintaining and creating a Molalla that still feels like "Molalla", not just any bedroom community.

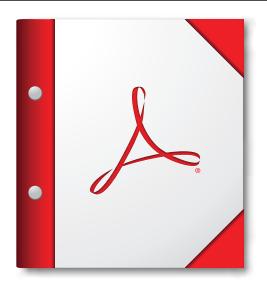
In conclusion, I hope we can take Ms. Brown's presentation with a grain of salt, but not the bible on how we should grow as a city. I am hesitant to plan for Molalla to automatically become an "affordable bedroom community" that can capture the overspill of people who no longer wish or cannot afford to live in Portland.

Please feel free to reach out to me with any questions, corrections, or to further discuss. I'm happy to make time for a meeting, coffee, call etc. and look forward to following the progress of this project.

Thank you so much for your time, I truly appreciate each of your efforts to support Molalla.

-Paige and Lee Lantz

Paige Lantz Lantz Construction - *Operations Manager* 32951 S Wilhoit Rd., Molalla, OR 97038 503.318.6228



For the best experience, open this PDF portfolio in Acrobat X or Adobe Reader X, or later.

Get Adobe Reader Now!

Efficiency Measures
Changing Accessory Dwelling Unit
Approvals From A Type II To A Type I
Process and Comprehensive Plan
Map and Zoning Map Changes.



City Council March 26, 2025

Overview

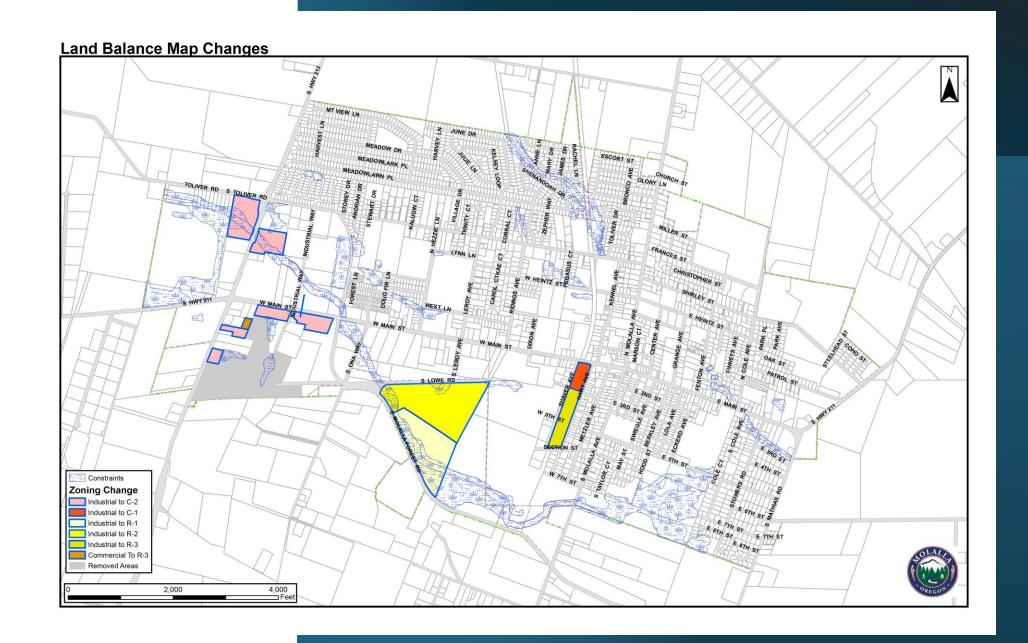
Efficiency Measures

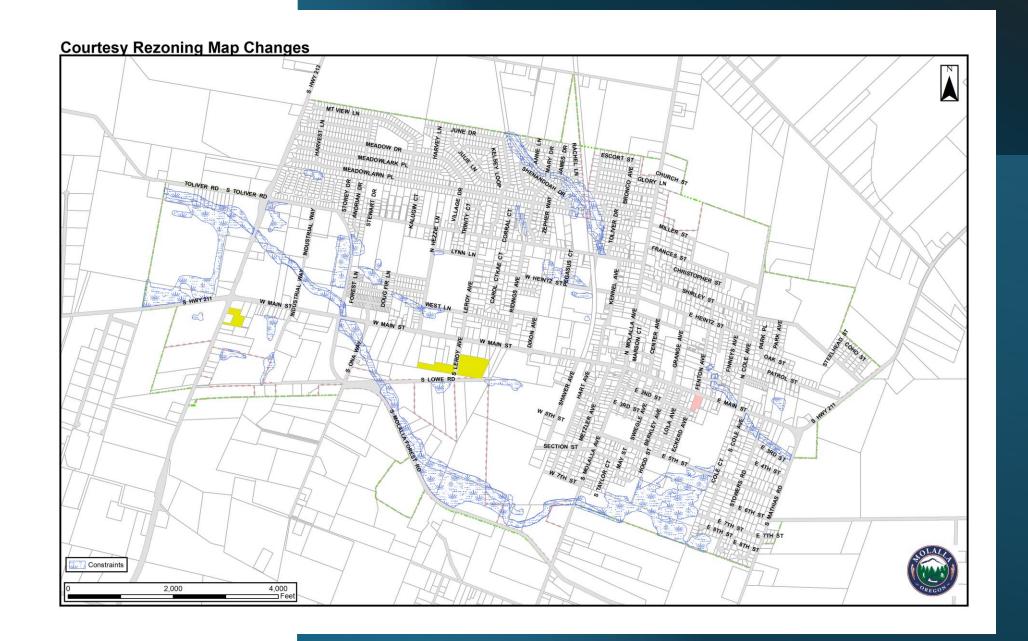
- Required by ORS 197.296
- Part of Molalla's 2025 Sequential Review Workplan
- Usually only rebalance residential land
- Ours looks at employment land, which hasn't been addressed in over 40 years
- Does not include items from the HPS these will be addressed according to our HPS implementation schedule

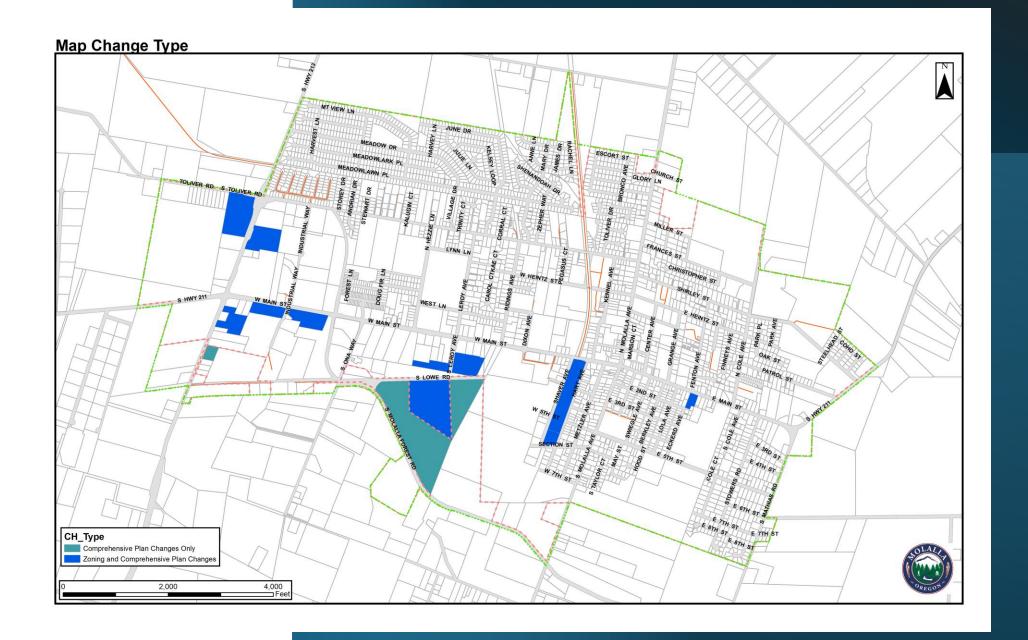
Overview

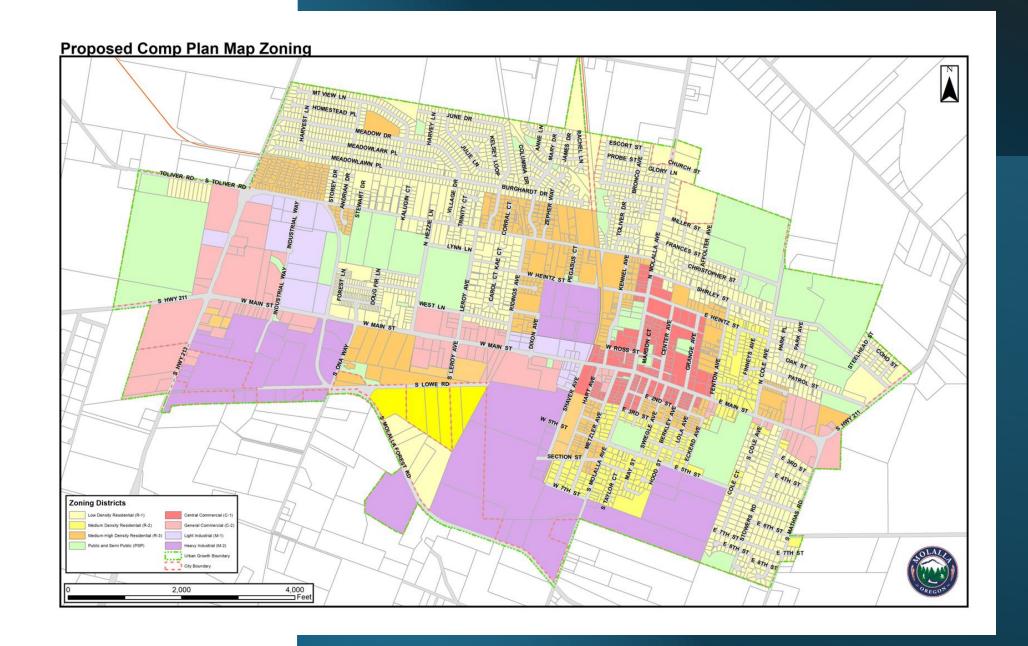
Accessory dwelling unit ADU) approvals are currently processed using a Type II approval – Changing ADUs to a administrative review with notice. Changing the process to a Type I removes unnecessary Type I Approval administrative process to ADU applications and brings the City into compliance with Oregon HB 2001 Comprehensive In response to land deficits and surpluses found in the City's HPS and EOA the City proposes changes Plan Map Changes to its Comprehensive Plan Map Zoning Map In response to land deficits and surpluses found in the City's HPS and EOA the City proposes changes Changes to its Zoning Map

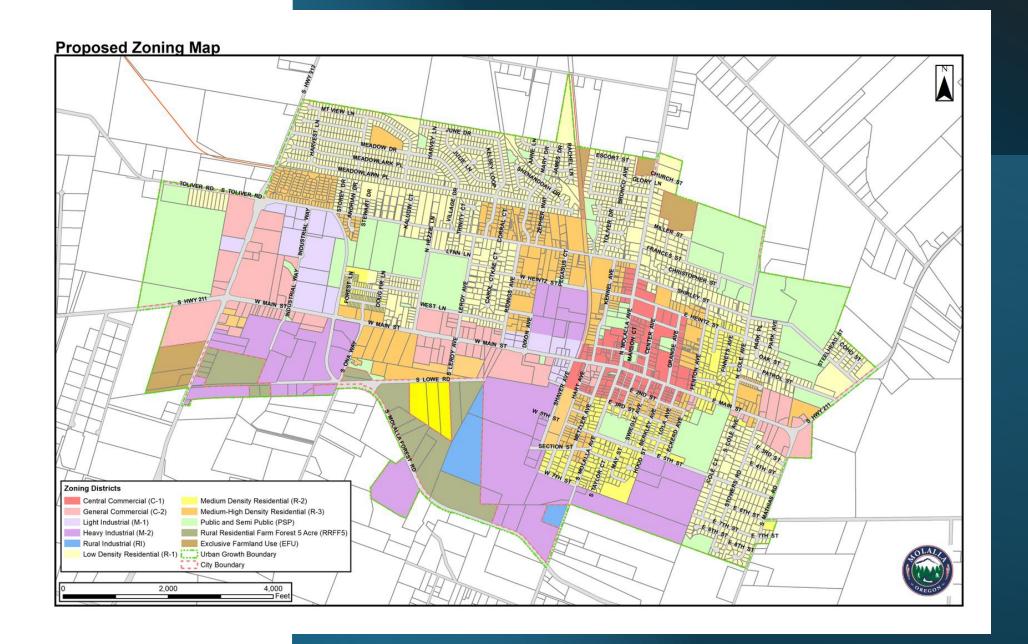
Comprehensive Plan And Zoning Map Changes











Residential Changes

R-1 Low Density Residential

- 11.35 ac of unconstrained land gained
- 9.51 ac of which are vacant or partially vacant
- Could account for up to 57 of the 1098 needed low density housing units identified in the 2023 adopted HNA

R-2 Medium Density Residential

- 27.07 ac of unconstrained land gained
- All of which is vacant or partially vacant
- Could account for up to 243 of the 499 needed medium-density residential housing units identified in the 2023 adopted HNA

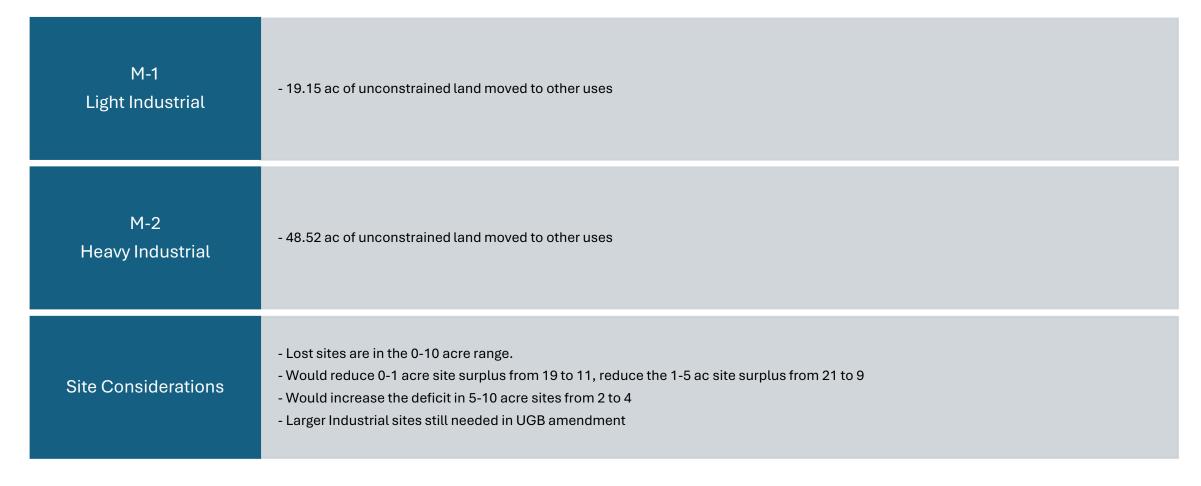
R-3 Medium-High Density Residential

- 7.15 ac of unconstrained land gained
- All of which is vacant or partially vacant
- -

Commercial Land Changes

C-1 - 2.95 ac of unconstrained land gained - 2.95 ac of which are vacant or partially vacant Central Commercial C-2 - 19.15 ac of unconstrained land gained **General Commercial** - 16.84 ac of which are vacant or partially vacant - New sites are in the 0-10 acre range. Site Considerations - Would eliminate 0-1 acre site need, reduce the 1-5 ac site need from 5 to 3, and reduce the 5-10 ac site need from 2 to 1. - Larger commercial sites still needed in UGB amendment

Industrial Land Changes



Public Process



Public Comment

Comment

Summary

Trina Johnson Would prefer properties south of S Lowe RD to be zoned to R-3 density Comment Summary DLCD Advised that objections to proposal based on utility and road servicing may lead to remand based on Comment findings. Summary ODOT City made a finding on the transportation planning rule that no substantial impact will occur. ODOT requested more substantial findings on potential impacts of rezoning. We are working cooperatively

with them to provide these findings to them prior to the appeal period.

Und Now Ve Dance





Housing Production Strategy City Council Presentation March 26th at 7:00 pm



Agenda



Project Overview



Housing Needs Analysis Key Findings



Results of Public Engagement



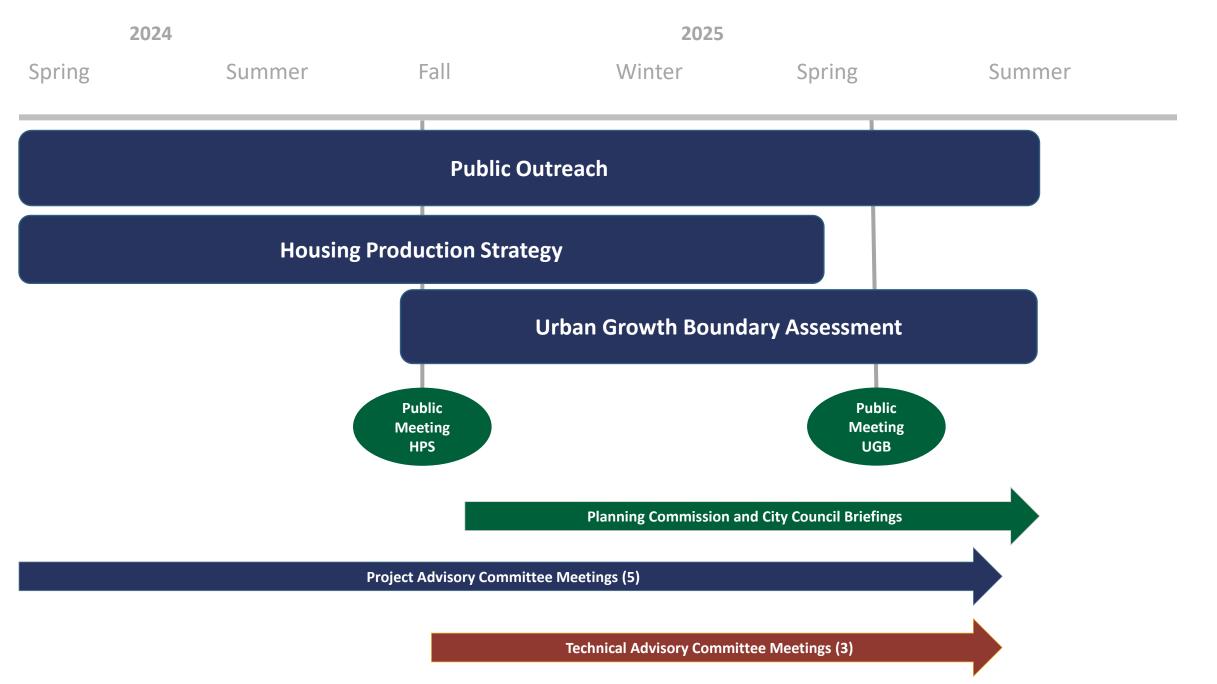
Draft Housing Strategy



Next Steps

HPS Project Overview

- Key Documents
 - Housing Needs Analysis (2023)
 - Draft Housing Production Strategy
- Public Engagement Components
 - Public Advisory Committee (PAC)
 - Housing Producer/Consumer Interviews
 - Public Meeting
 - Online Survey
 - Planning Commission
 - Public Comment



Housing Need

By 2042...

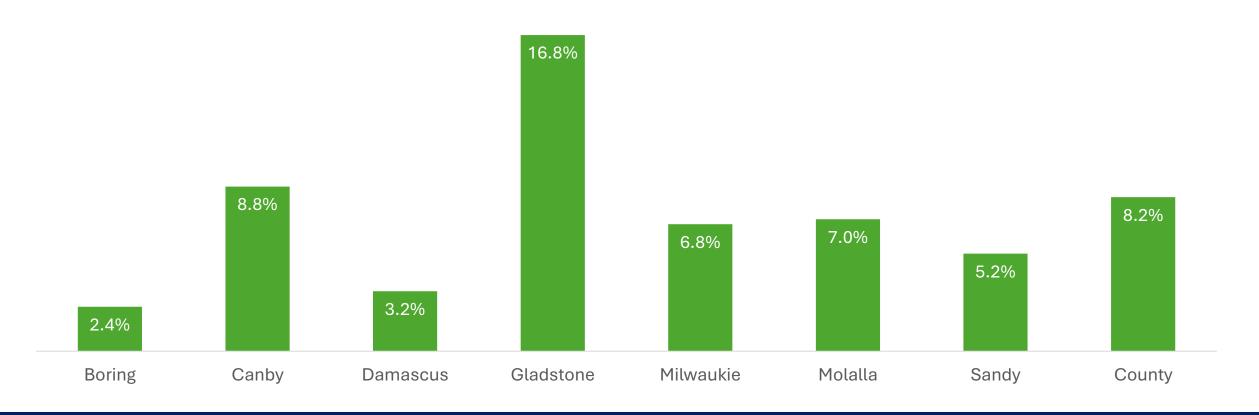
- Molalla's population is forecasted to be 15,660 (5,432 new people)
- Molalla will need 1,996 new housing units, especially medium & high-density housing units
- Units need to be affordable at all income brackets

Contextualized Housing Need

- Affordable units, where costs are less than 30% of income, represent 76% of owner-occupied housing and only 54% of renter-occupied housing
- Point in Time counts list 410 people experiencing homelessness in 2023 across Clackamas County
- Population living with a disability represent 16% of Molalla's occupied housing, which impacts housing choice
- Homeownership rates are lower for some, but not most, minority communities in Molalla

Poverty & Affordability

PERCENTAGE OF LOCAL POPULATION LIVING IN POVERTY



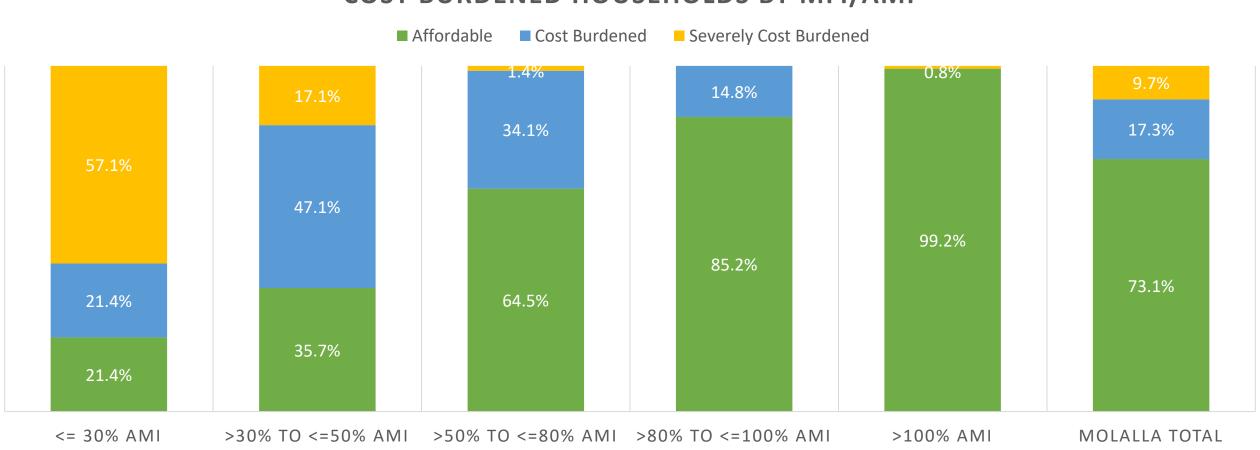
MOLALLA HOUSEHOLDS BY INCOME LEVEL



Poverty & Affordability

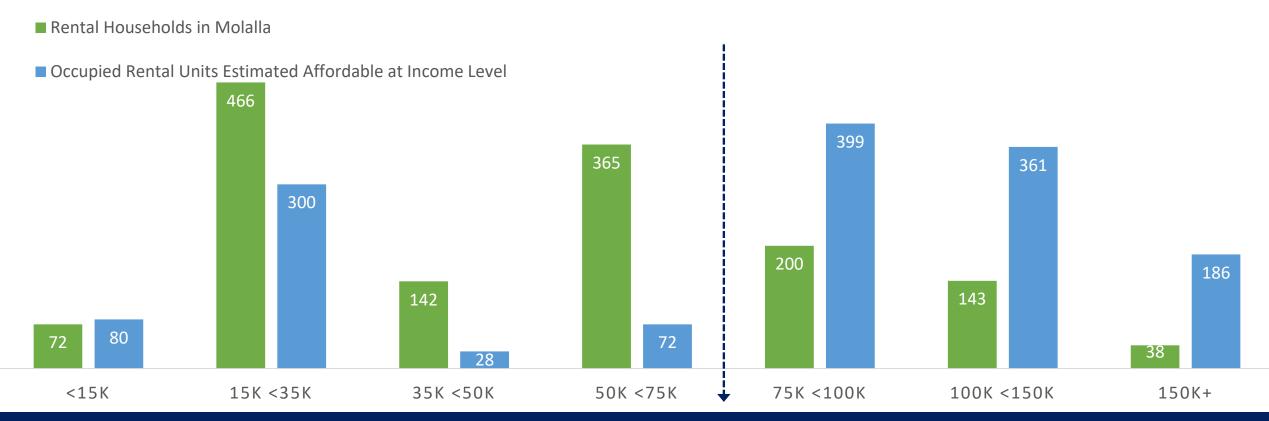
2023 Molalla AMI for a family of four: \$114,400

COST BURDENED HOUSEHOLDS BY MFI/AMI



Poverty & Affordability

COMPARING RENTAL HOUSEHOLD INCOMES WITH OCCUPIED UNITS AFFORDABLE AT EACH INCOME LEVEL



Community Engagement



One-On-One Interviews

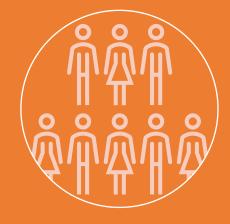
- Ant Farm Youth Services
- Molalla Adult Community Center
- Green Light Development
- Plaza Los Robles Apartments
- Mt. View Property Management
- Todos Juntos



Public Meeting

- Details shared in newspaper, Facebook, Molalla Current, and project updates to email list.
- Included a presentation of housing need data, community profile, and a list of policies being considered for inclusion in the HPS.
- Input was recorded on policy boards around the room and in an online survey for those unable to attend in person.

Community Engagement



Public Advisory Committee Meetings (3)

- Clackamas County Housing Authority
- Todos Juntos
- Nazarene Church
- Habitat for Humanity
- I&E Construction
- Molalla City Council
- Molalla Planning Commission



Planning Commission

- Briefing to PC on March 5, 2025
- Presentation and Updated Draft HPS

* DLCD was invited to all PAC Mtgs/Open House

- Develop Standards for Cottage Cluster Housing
- Address Impediments to Home Ownership
- Link SDC Fee Schedules to Size
- Affordable Housing Options Library of Information

Community Engagement Support

Housing Production Strategy

- Accessory Dwelling Units (ADUs), Cottage Cluster Housing, and Small Dwelling Units
- Adjust Requirements for Ground-floor Retail/Commercial
- Modify SDC Fee Schedules To Be Directly Linked to Size
- Land Owned by Faith-Based Organizations for Affordable Housing
- Address Unmaintained "Zombie" Housing
- Address Impediments to Home Ownership
- Remove Impediments for Conversions/Duplex Parking
- Regulate Short Term Rentals
- Provide Public Improvement Assistance to Housing Developers within the Urban Renewal Area
- Federal Low Income Housing Tax Credit (LIHTC) Program
- Collaborate with Clackamas County on Homelessness and Eviction Prevention
- Affordable Housing Options Library of Information

Implementation

Policy	2025	2026	2027	2028	2029	2030	2031	2032
Code Revisions for ADUs								
Evaluate SDCs for ADUs								
Develop Standards For Cottage Clusters								
Small Dwelling Unit Defined								
Modify Requirements for Ground Floor Commercial								
Regulate Short Term Rentals								
Address Impediments to Home Ownership								
Remove Impediments to Duplex Parking								
Federal Low Income Housing Tax Credit								
Land Owned By Faith Based Organizations								
Address Zombie Housing								
Urban Renewal Area Public Improvement Assistance								
Explore SDCs based on size								
Affordable Housing Options Library of Information								
Collaborate with Clackamas County								

Pass Ordinance

Implement

Evaluate

Project Next Steps

DLCD Review
Public Comment

Approval
Conditional Approval
Remand

Permit Data on DLCD
Dashboard Yearly
4 Year Mid-Point
Review



Thank you!



Meeting Summary – Parks CPC

Date: March 20, 2025

Next Meeting: April 17, 2025, at 5:30 PM

Key Points Discussed:

1. Butter Braid Bread Fundraiser:

- The fundraiser will be extended by one week. A notice will be sent out with further details.
- Not going well

2. Paint Class:

- O Scheduled for April 6th from 2-4 PM.
- Currently, 8 kits have been purchased, but 12 are needed for the class to happen. Orders must be placed by March 29th.

3. El Charrito:

 Saturday, April 19th, from 6 pm - 10 pm. A percentage of sales will be donated to the park fund

4. Krispy Kreme Fundraiser:

- Set for May 3rd, 2025, from 9 AM to 12 PM.
- o Pre-orders are being accepted at Bi-Mart.

4. Movie in the Park:

- Follow-up after reaching out to neighboring cities for feedback on similar events.
- Food such as hamburgers, hot dogs, and popcorn performed well as fundraisers, while candy sales were less successful.
- Plans to figure out the logistics for a screen and projector for the event.
- Discussion about using a local DJ for sound.
- Discussion regarding Denise with The Feedshack would be willing to donate a percentage or flat rate if she provided her food cart services at said event

5. Interfor Donation:

Housing Production Strategy

- Interfor has been contacted for a donation of lumber to assist in building the pavilion.
- Jody and Eric will meet with the Interfor rep when identified

6. Chief Yelkus Park:

 Funding has been awarded for Phase One of the Chief Yelkus Park project. This is a significant step forward in the development of the park, and plans will move forward with the first phase of improvements.

Next Steps:

- **Butter Braid Bread Fundraiser**: Await notice for the extension and updated dates.
- Paint Class: Finalize kit purchases by March 29th to ensure the class happens.
- Krispy Kreme Fundraiser: Encourage pre-orders at Bi-Mart.
- Movie in the Park: Continue discussions about equipment, food, and entertainment options.
- Interfor Donation: Follow up for confirmation of the lumber donation.
- Chief Yelkus Park: Begin planning for Phase One improvements now that funding has been secured.

Communication:

- o Chair:
 - o would like to see dedicated funds for projects in the parks
 - o Ivar Davies homeless issues with garbage
- o I gave them a summary of the "Parkland Dedication or Fee in lieu for subdivisions and Master Planning Areas" discussion the City Council had on March 19th

0

Reminder:

Next meeting: April 17th, 2025, at 5:30 PM.

CITY OF MOLALLA



Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, April 9, 2025 Submitted by: Christie Teets, City Recorder Approved by: Dan Huff, City Manager

SUBJECT: New OLCC License - Molalla Petroleum, LLC.

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

This OLCC License request is for a new business located at 710 W Main Street in Molalla and is for Retail Off-Premise Sales. Police Chief Long has reviewed the application and has given his approval.

ATTACHMENTS:

MOLALLA PETROLEUM LLC



OREGON LIQUOR & CANNABIS COMMISSION Local Government Recommendation — Liquor License

Annual Liquor License Types					
Off-Premises Sales Limited On-Premises Sales Full On-Premises, Caterer Full On-Premises, Commercial Full On-Premises, For Profit Private Club Full On-Premises, Non Profit Private Club Full On-Premises, Other Public Location Full On-Premises, Public Passenger Carrier	Brewery-Public House Brewery Distillery Grower Sales Privilege Winery Wholesale Malt Beverage & Wine Warehouse				

Section 1 – Submission –	- To be completed by App	licant:		
	e Information			
Legal Entity/Individual Applicant Name(s): Molalla Petroleum LLC				
Proposed Trade Name: Molalla Petroleum				
Premises Address: 710 W Main St		Unit:		
City: Molalla	County: Clackamas	Zip: 97038		
Application Type: New License Application	Change of Ownership	Change of Location		
License Type: Off-Premises Sales	Additional Location for an Existing Lic			
Application C	ontact Information	B		
Contact Name: Bernie Rubio		20:		
Mailing Address: 1311 Lancaster Dr Ne				
City: Salem	State: OR	7in, 07201		
Email Address:		Zip: 97301		
Busine	ess Details			
Please check all that apply to your pro	pposed business operations at t	his location:		
Manufacturing/Production				
Retail Off-Premises Sales				
Retail On-Premises Sales & Consumption				
	s Consumption at this location:			
☐ Indoor Consumption ☐ Outdoor Consumption				
Proposing to Allow Minors				
Section 1 conti	nued on next page			



OREGON LIQUOR & CANNABIS COMMISSION Local Government Recommendation - Liquor License

Section 1 Continued - Submission - To be completed by Applicant:

 $\label{legal-ent-legal-e$

Proposed Trade Name: Molalla Petroleum

IMPORTANT: You MUST submit this form to the local government PRIOR to submitting to OLCC.

Section 2 must be completed by the local government for this form to be accepted

with your CAMP application.

Section 2 – Acceptance - To be completed by Local Government:

Local Government Recommendation Proof of Acceptance

After accepting this form, please return a copy to the applicant with received and accepted information

City or County Name:

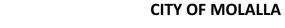
Optional Date Received Stamp

Date Application Received:

Received by:

RECEIVED MAR 1 3 2025

Section 3 – Recommendation - To be completed by Local Government:				
Recommend this license be granted				
Recommend this license be denied (Please include documentation that meets OAR 845-005-0308) No Recommendation/Neutral				
Name of Reviewing Official:				
Title:				
Date:				
Signature:				
After providing your recommendation and signature, please return this form to the applicant.				





Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, April 9, 2025 Submitted by: Christie Teets, City Recorder Approved by: Dan Huff, City Manager

SUBJECT: New OLCC Liquor License - Cache Liquidation, Location Change

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

Cache Liquidation is relocating to 122 S. Molalla Avenue, therefore requiring an update to their OLCC Liquor License. This is a Limited On Premise license and has been reviewed by Chief Long. Chief approved this request with no concerns. Staff recommends approval with the Consent Agenda.

ATTACHMENTS:

Cache Liquidations Liquor License Application .pdf



Off-Premises Sales

Limited On-Premises Sales

OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Brewery

Brewery-Public House

Annual Liquor License Types

Full On-Premises, Caterer Full On-Premises, Commercial Full On-Premises, For Profit Private Club Full On-Premises, Non Profit Private Club Winery Full On-Premises, Other Public Location Full On-Premises, Public Passenger Carrier Distillery Grower Sales Privilege Winery Wholesale Malt Beverage & Wine Warehouse	
Section 1 – Submission – To be completed by Applicant:	
License Information	
Legal Entity/Individual Applicant Name(s): Cache Liquidation Heidi To	lt
Proposed Trade Name:	
Premises Address: 122 S, Molalla Aup, Unit:	
city: Molalla county: Clackamazip: 97033	
Application Type: New License Application Change of Ownership Change of Location	
License Type: Limited On Premises Additional Location for an Existing License	
Application Contact Information	
Contact Name: Heich Totte Phone:	
Mailing Address:	
City: Molalla State: Ok Zip: 97033	
Email Address: Cache Liquidation@gmas. com	
Business Details	•
Please check all that apply to your proposed business operations at this location:	
Manufacturing/Production	
Retail Off-Premises Sales	
Retail On-Premises Sales & Consumption If there will be On-Premises Consumption at this location:	
X Indoor Consumption Outdoor Consumption	
Proposing to Allow Minors	
Section 1 continued on next page	



OREGON LIQUOR & CANNABIS COMMISSION

Local Government Recommendation – Liquor License

Section 1 Continued – Submission - To be completed by Applicant:

Legal Entity/Individual Applicant Name(s): Cache Liquidation

Proposed Trade Name:

IMPORTANT: You MUST submit this form to the local government PRIOR to submitting to OLCC.

Section 2 must be completed *by the local government* for this form to be accepted with your CAMP application.

Section 2 – Acceptance - To be completed by Local Government:

Local Government Recommendation Proof of Acceptance

After accepting this form, please return a copy to the applicant with received and accepted information

City or County Name: Molula

Date Application Received: 035008

Received by:

Section 3 - Recommendation - To be completed by Local Government:

()	Recommend	this	licanca	ho	granted
	recommend	CIIIO	IIICCI13C	UC	graniceu

Recommend this license be denied (Please include documentation that meets OAR 845-005-0308)

No Recommendation/Neutral

Name of Reviewing Official:

Title:

Date:

Signature:

After providing your recommendation and signature, please return this form to the applicant.

CITY OF MOLALLA



Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, April 9, 2025 Submitted by: Diana Hadley, Library Director

Approved by: Dan Huff, City Manager

SUBJECT: Library Board Application and Serial Communication

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

Ms. Laura Klyzek submitted an application for appointment to the Library Board. Library Board members appointed Ms. Klyzek unanimously, via email serial communication. The emails are provided in this packet for transparency.

Staff is requesting appointment to the Library Board.

ATTACHMENTS:

L .Klyzek - Library Board Appointment Laura Klyzek Application.email 1.pdf Laura Klyzek Application.email 2.pdf Laura Klyzek Application.email 3.pdf Laura Klyzek Application.email 4.pdf

Today's Date: 3/6/25

City of Molalla APPLICATION FOR APPOINTMENT

Please print or type





		Open Pos	ition		OREGOT
Please indicate which Board, Commission, or Council you are interested in serving: Lib. board & Budget Comm.					
PERSONAL INFORMATION:					
Name Laura Klyzek				Years of Residency 4	in Molalla?
Street	Street City/State/Zip Molalla OR 97038			Registered Voter? Yes N	0
E-mail address	E-mail address			Cell / home phone	
EMPLOYMENT:					
Current Employer Name/Address Stay at home mom					
Position	Sition How long? Work Ph				
leaving teaching I served in multiple point in loss support nonprofit based in I worked as a shelver at Oak Lodge Lib elderly in their homes, and held multip	Portland (Secretary). In the pas	etary, New st I have se ence Four	sletter Edito	or, and Board cha Americorps, provi	air), and ided care for
Years Completed BA and MA in Secondary Education					
Colleges University of Idaho, Moscow ID University of Nevada, Reno NV					
Certifications Secondary Science Education while te	eaching				
COMMUNITY INVOLVEMENT: Attach a	dditional pages	if necessary	<i>/</i> .		
Describe volunteer activity within this or other communities My experience on the Brief Encounters board was a 7 year fully volunteer position including secretary, board chair, and newsletter editor. I volunteered in multiple other capacities including events planning, support group facilitator, phone support volunteer, record-keeping and so forth. I volunteered as a shelver at the Milwaukie library for quite some time and it was a very fulfilling experience. I also started a book drive in my daughter's memory before moving here and continued it in Molalla, last year giving over 1400 books to our local kids through Mulino and Molalla El. and Molalla Service Center. I regularly pick up trash when I walk my dog because I have pride in our town. I volunteered in my teaching positions for a variety of community service activities including helping families in need during the holidays, canned food drives, and engaging in extra trainings that would help me to better teach all kids. Do you presently serve on a City board or committee? Yes No					

In 50 words or less, explain why you desire appointme Moving to a smaller community came with wanting and want to help us grow in positive ways. We can	ent to the City Council. to give back and become involved. I am passionate retain our best qualities as we move into our future:
Helping each other, fighting for good, and being inv	vested in our community
I response action, lightning for good, and boiling into	rected in our community.
· ·	
List any relevant experiences, skills, or interests that h	ave helped to prepare you for your role on the City
	years of experience doing so in multiple positions. I
am a strong communicator and excel at working to	ward compromise when opinions differ. I have worked
with many different kinds of people in my teaching	and other roles and bring organization, writing/editing
skills, and creative problem-solving to these position	ons. I have a deep love of books and utilize our libary
usually once a week and love reading to my kids. I	This passion for our library and its future is deeply
ingrained. I want to help ensure all in our communi	ty benefit from this incredibly powerful resource. I am
hoping to serve on the Library Board and Budget c	ommittee because I am invested in our community
and have been looking for an opportunity to help in	a more official capacity.
> Attach a resume if desired.	
> To access the City Council Orientation Handbo	
https://www.cityofmolalla.com/cityrecorder/pag	e/councilor-roles-responsibilities-elections
> The information requested herein becomes pub	lic record upon submittal. A written request to not disclose
certain information may be submitted to the Cit	
This Council seat is open until filled.	
	2/1./26
	3/4/25
	Daje
For Office Use Only	
Date Received:	Term assigned:
Date Appointed:	Residency confirmed:
	Voter Registration confirmed:

If yes, which board or committee?

From: <u>Diana Hadley</u>
To: <u>Christie Teets</u>

Subject: Fwd: Fwd: Laura Klyzek Application & Code of Conduct attached

Date: Tuesday, March 25, 2025 10:43:07 AM

Hello Christie,

Thank you for your assistance earlier. Here is one of the three response I received regarding Laura's application.

Diana

----- Forwarded Message ------

Subject: Re: Fwd: Laura Klyzek Application & Code of Conduct attached

Date:Tue, 11 Mar 2025 14:19:13 -0700 **From:**Judy Loucks loucks@colton.com **To:**Diana Hadley dhadley@lincc.org

I'm in favor of Laura. She sounds very experienced and her desire to be involved is rare!

Judy Loucks.

On Mar 11, 2025 10:38 AM, Diana Hadley dhadley@lincc.org wrote:

Hello all,

We have received an application for the open seat on the library board. Laura is a library patron and comes to library events.

Please review and let me know if you'd like to either meet Laura in person or via Zoom, or if you want to recommend her appointment just from the application.

Please reply to me individually by February 17 so as not to form an unpublicized meeting.

Thank you for your time,

Diana

----- Forwarded Message ------

Subject:Laura Klyzek Application & Code of Conduct attached

Date:Thu, 6 Mar 2025 11:50:10 -0800 **From:**Laura Klyzek <<u>klyzekl@gmail.com</u>>

To: Christie Teets cteets@cityofmolalla.com, Cindy Chauran

CC:Diana Hadley dhadley@lincc.org, Rebekah Murcray rmurcray@lincc.org>

Hi all! Thanks for your patience. It probably had to do with the fact that I have a mac and was using its editing program. I printed and then scanned the application and code of conduct so here goes nothing! Thanks for your assistance in applying to the Library Board and Budget Committee. I look forward to the next steps. Hope you're enjoying some of this gorgeous weather while it lasts!

Laura Klyzek 503-621-8123

DISCLOSURE NOTICE: This email is official business of the City of Molalla and is subject to Oregon Public Records Law.

From: Laura Klyzek < klyzekl@gmail.com > Sent: Tuesday, March 4, 2025 4:24 PM

To: Christie Teets < cteets@cityofmolalla.com>

Subject: Board guestion

Hi Ms Teets, do you happen to know if there is a library board position open or who I might speak to regarding this? Thanks! - Laura

From: <u>Diana Hadley</u>
To: <u>Christie Teets</u>

Subject: Fwd: Fwd: Laura Klyzek Application & Code of Conduct attached

Date: Tuesday, March 25, 2025 10:44:32 AM

Hello,

Here is one of three responses.

Diana

----- Forwarded Message ------

Subject: Re: Fwd: Laura Klyzek Application & Code of Conduct attached

Date:Wed, 12 Mar 2025 22:03:44 +0000 (UTC) **From:**Kevin Effinger skevin effinger@yahoo.com

To:Diana Hadley dhadley@lincc.org

I'm fine with approving her just by her application.

Sent from Yahoo Mail for iPhone

On Tuesday, March 11, 2025, 10:38 AM, Diana Hadley dhadley@lincc.org wrote:

Hello all,

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Please review and let me know if you'd like to either meet Laura in person or via Zoom, or if you want to recommend her appointment just from the application.

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To: Christie Teets cteets@cityofmolalla.com, Cindy Chauran

<cchauran@cityofmolalla.com> CC:Diana Hadley <dhadley@lincc.org>, Rebekah Murcray <murcray@lincc.org>

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To: Christie Teets < cteets@cityofmolalla.com>

Subject: Board guestion

Hi Ms Teets, do you happen to know if there is a library board position open or who I might speak to regarding this? Thanks! - Laura

From: <u>Diana Hadley</u>
To: <u>Christie Teets</u>

Subject: Fwd: Laura Klyzek Application & Code of Conduct attached

Date: Tuesday, March 25, 2025 10:45:09 AM

Hello,

Martin also weighed in on this.

Diana

----- Forwarded Message ------

Subject: Re: Laura Klyzek Application & Code of Conduct attached

Date:Wed, 12 Mar 2025 00:17:23 +0000

From: Martin Bartholomew mbartholomew@cityofmolalla.com>

To:Diana Hadley dhadley@lincc.org

I think that she would make a good fit.

Martin J Bartholomew ABA

City Council

City of Molalla | 117 N. Molalla Ave. | Molalla, OR 97038

Phone: 503-829-6855 www.cityofmolalla.com



From: Diana Hadley sdf<a href="mailto:s

Sent: Tuesday, March 11, 2025 10:38:17 AM

To: Brittney Closner; Mechelle Trefethen; Kevin Effinger; Judy Loucks; Martin Bartholomew

Subject: Fwd: Laura Klyzek Application & Code of Conduct attached

Hello all,

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Please review and let me know if you'd like to either meet Laura in person or via Zoom, or if you want to recommend her appointment just from the application.

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To:Christie Teets , Cindy Chauran

CC:Diana Hadley <a hre

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Subject: Board question

Hi Ms Teets, do you happen to know if there is a library board position open or who I might speak to regarding this? Thanks! - Laura

From: <u>Diana Hadley</u>
To: <u>Christie Teets</u>

Subject: Fwd: Laura Klyzek Application & Code of Conduct attached

Date: Tuesday, March 25, 2025 10:43:56 AM

Hello Christie,

Here's one of three

Diana

----- Forwarded Message ------

Subject: Re: Laura Klyzek Application & Code of Conduct attached

Date:Tue, 11 Mar 2025 10:50:00 -0700

From:Brittney Closner sprittneyclosner@gmail.com>

To:Diana Hadley dhadley@lincc.org

Recommend for appointment:)

On Tue, Mar 11, 2025, 10:38 AM Diana Hadley < dhadley@lincc.org > wrote:

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Please review and let me know if you'd like to either meet Laura in person or via Zoom, or if you want to recommend her appointment just from the application.

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To: Christie Teets cteets@cityofmolalla.com, Cindy Chauran

<cchauran@cityofmolalla.com>

CC:Diana Hadley dhadley@lincc.org, Rebekah Murcray rmurcray@lincc.org

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CITY OF MOLALLA



Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, April 9, 2025

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Contract Award - Lola Avenue Sewer and Water Line Replacement

FISCAL IMPACT: \$1,256,759.00 (Fully Budgeted)

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

Sewer: The new sewer mains will replace the existing old lines that were identified as having significant infiltration and inflow issues during the development of the City's Wastewater Facilities and Collection System Master Plan (WWFCSMP). Collection System Project No. 3, outlined in the WWFCSMP, involves the replacement of 1,300 linear feet of sewer line on Lola Ave., specifically from E Main Street to 5th Street. A portion of the Lola Ave. line, from E Main St to 2nd Ave., was already replaced as part of the recent Eckerd Ave., Sewer and Water Line Replacement project completed in 2023. This upcoming project will complete the Collection System Project No. 3 by replacing the remaining sewer line on Lola Ave.

Water: The City's Water Management, Conservation, and System Master Plan (WMCSMP) identifies the replacement of the 4-inch steel water lines on Lola Avenue as a high-priority project. A portion of these water lines has already been replaced, specifically the section from East Main Street to 2nd Street, as part of the Eckerd Sewer and Water Line Replacement project, which was completed in 2023. The remaining section of the existing 4-inch steel water line, running from East 2nd Street to East 5th Street, will be replaced as part of this project. This waterline upgrade also includes replacing the old service lines and meter boxes with new ones meeting City standards.

Street Improvements: The current asphalt roadway and base material are in poor condition and need to be replaced. Once the sewer and water line replacement is finished, the existing roadway and base will be removed and reconstructed. Additionally, new stormwater catch basins will be installed at the intersections of Lola Ave. and 3rd St., as well as Lola Ave. and 4th St. The new paved widths will be constructed to meet the local street cross-section requirements as specified in the Transportation System Plan (TSP).

The Following Bids were received through the procurement process:

- 1. \$1,256,759.00 by Lawson Corp.
- 2. \$1,325,754.75 by Turney Excavating, Inc.
- 3. \$1,326,918.38 by Owen Construction, Inc.
- 4. \$1,349,865.00 by N8 Excavation
- 5. \$1,375,000.00 by Pacific Excavation, Inc.
- 6. \$1,396,530.00 by Grade Werks Excavating, LLC
- 7. \$1,414,031.00 by Jesse Rodriguez Excavation, Inc.
- 8. \$1,472,932.58 by Trench Line Excavation, Inc.
- 9. \$1,558,282.00 by The Saunders Company, Inc.

- 10. \$1,594,695.00 by Kerr Contractors Oregon, LLC
- 11. \$1,599,660.00 by Icon Construction and Development, LLC
- 12. \$1,643,814.02 by M.L. Houck Construction Co.
- 13. \$1,738,785.00 by Westech Construction, Inc.

After reviewing the bids, Lawson Corporation was deemed the lowest responsible bidder. A Notice of Intent to Award was issued to all bidders, and no protests were received. Staff Recommends City Council award the contract to Lawson Corporation and authorize the City Manager to execute a contract for construction services.

ATTACHMENTS:

Recommendation Letter - Dyer Partnership



March 25, 2025

Macahan Corthell, Assistant City Manager City of Molalla 117 N Molalla Avenue Molalla, OR 97038

RE: City of Molalla

Lola Avenue Sewer and Water Line Replacement

City of Molalla Project No. 24-05

The Dyer Partnership Project No. 198.53

Dear Mr. Corthell:

This letter is to recommend action by the City of Molalla in response to the bids received on March 19, 2025 at 2:00 PM for the above referenced project. Thirteen bids were received, there were minor bid irregularities, and all were responsive and responsible. The bids were in the following amounts:

- 1. \$1,256,759.00 by Lawson Corp.
- 2. \$1,325,754.75 by Turney Excavating, Inc.
- 3. \$1,326,918.38 by Owen Construction, Inc.
- 4. \$1,349,865.00 by N8 Excavation
- 5. \$1,375,000.00 by Pacific Excavation, Inc.
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- 11. \$1,599,660.00 by Icon Construction and Development, LLC
- 12. \$1,643,814.02 by M.L. Houck Construction Co.
- 13. \$1,738,785.00 by Westech Construction, Inc.

Dyer recommends that the City of Molalla take the following action:

- 1. Accept the bids.
- 2. Award a contract to Lawson Corp. in the amount of \$1,256,759.00.

It is our opinion that Lawson Corp. has sufficient experience and qualifications to satisfactorily construct the project.

Assuming the City of Molalla and Council concurs with our recommendation; we have enclosed four copies of the Notice of Award. A representative for the City needs to sign all four copies after which they should be returned to our Coos Bay office. (*Please do not date the Notice of Award*.) We will date the Award following notification that the City of Molalla accepts the bid and is determined to award the project.

Pursuant to ORS279C.835, the Oregon Bureau of Labor and Industries requires that Form WH-81 be filled out by the contracting agency and sent to them with a copy of the first-tier subcontractor form, if applicable (ORS 279C.370), within 30 days of issuing the Notice of Award. The form is available at: https://www.oregon.gov/boli/WHD/PWR/docs/wh81.pdf

481 S. MAIN STREET LEBANON, OREGON 97355 TELEPHONE: (541) 405-4520 Macahan Corthell, Assistant City Manager March 25, 2025 Page 2

The Owner is also responsible for payment of a Public Works fee to the Bureau of Labor & Industries. This payment is accompanied by Form WH-39 which is available at: https://www.oregon.gov/boli/WHD/PWR/docs/wh39.pdf

Sincerely,

Ryan Quigley, PE Project Manager

Enclosure





Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, April 9, 2025

Submitted by: Cindy Chauran, Finance Director

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2025-02: Authorizing a Contingency Transfer in the Street Fund (Chauran)

RECOMMENDATION/RECOMMENDED MOTION:

Staff recommends approval.

I move to approve Resolution No. 2025-02: Authorizing a Contingency Transfer in the Street Fund.

BACKGROUND:

The State of Oregon provides Fund Exchange dollars for street projects. The City has accumulated \$601,398 of these funds as of 6/30/24 but had not assigned a specific project to them at the 2024-2025 Budget adoption time. The funds were left in contingency.

At this time, we would like to transfer appropriation from contingency to capital so the funds can be used for the Section Street Rehabilitation project and the N Molalla Avenue Enhanced Crossing project. Any balance that is not used will be rolled forward for future Fund Exchange projects.

ATTACHMENTS:

Street Contingency Resolution 2025-02.pdf



A RESOLUTION OF THE CITY OF MOLALLA, OREGON AUTHORIZING A CONTINGENCY TRANSFER IN THE STREET FUND

WHEREAS, this resolution proposes to amend the Fiscal Year 2024-2025 City of Molalla budget due to a need for funds that were budgeted and appropriated as operating contingency; and

WHEREAS, Fund Exchange dollars in the amount of \$601,398 that are held in contingency can be applied to the Section Street Rehabilitation project and N. Molalla Avenue Enhanced Crossing Project; and

WHEREAS, OAR 150-294-0430(4) provides that a city must transfer appropriation authority from the contingency category to the category from which it will be expended; and

WHEREAS, the contingency transfer is less than 15% of the original total Street Fund appropriation thus allowing budget action to be carried out by Council resolution as provided in ORS 294-463(2)

Now, Therefore, the City of Molalla Resolves as follows:

That 2024-2025 contingency appropriations in the Street Fund be transferred as follows:

Current	Change	Amended
Appropriations		Appropriation
\$1,903,551	\$601,398	\$2,504,949
38,300		38,300
184,000		184,000
2,055,237	(601,398)	1,453,839
\$4,181,088		\$4,181,088
1,005,000		1,005,000
\$5,186,088	\$ 0	\$5,186,088
	Appropriations \$1,903,551	Appropriations \$1,903,551 \$601,398 38,300 184,000 2,055,237 (601,398) \$4,181,088 1,005,000

This Resolution shall be effective upon adoption by City Council.

Signed this 9th day of April 2025.		
	Scott Keyser, Mayor	
ATTEST:	Secte Reysel, May of	
Christie Teets, CMC City Recorder		

CITY OF MOLALLA



Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, April 9, 2025

Submitted by: Cindy Chauran, Finance Director

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2025-04: Authorizing a Contingency Transfer in the Sewer Fund (Chauran)

RECOMMENDATION/RECOMMENDED MOTION:

Staff recommends approval.

I move to approve Resolution No. 2025-04: Authorizing a Contingency Transfer in the Sewer Fund.

BACKGROUND:

The WWTP Upgrade Project has its own fund for receiving revenue in the form of loans from the Clean Water State Revolving Fund, and for spending those funds on project costs. Because the loan disbursements are based on reimbursement claims for materials and services rendered, there is sometimes a delay in paying invoices due to a shortage of cash in the fund. Some funds were put in place to cover this "float" in July, but for two reasons they are proving insufficient. First, the contractor is moving quickly and the size of pay requests can be quite large. Second, in addition to the claim and approval process through the state, we are required to submit a separate detailed claim to USDA, which also requires approval before funds are released.

The Sewer Fund has sufficient contingency available to allow \$720,000 to be transferred for this purpose. These funds will be considered part of the debt reserve required by USDA when the project is complete. At that time, they will be recorded in the Sewer Debt Retirement Fund.

ATTACHMENTS:

Sewer Contingency Resolution 2025-04.pdf



A RESOLUTION OF THE CITY OF MOLALLA, OREGON AUTHORIZING A CONTINGENCY TRANSFER IN THE SEWER FUND

WHEREAS, this resolution proposes to amend the Fiscal Year 2024-2025 City of Molalla budget due to a need for funds that were budgeted and appropriated as operating contingency; and

WHEREAS, the WWTP Upgrade Project Fund requires additional cash flow to process payments that are due prior to reimbursement of funds through the Clean Water State Revolving Fund; and

WHEREAS, the Sewer Fund is an appropriate source from which to transfer these funds; and

WHEREAS, OAR 150-294-0430(4) provides that a city must transfer appropriation authority from the contingency category to the category from which it will be expended; and

WHEREAS, the contingency transfer is less than 15% of the original total Sewer Fund appropriation thus allowing budget action to be carried out by Council resolution as provided in ORS 294-463(2); and

WHEREAS, the \$720,000 transferred will also serve as Debt Reserve required by USDA.

Now, Therefore, the City of Molalla Resolves as follows:

That 2024-2025 contingency appropriations in the Sewer Fund be transferred as follows:

	Current Appropriations	Change	Amended Appropriation
SEWER FUND	11 1		11 1
Sewer	\$3,822,023	\$ 0	\$3,822,023
Transfers	224,941	720,000	944,941
Contingency	800,000	(720,000)	80,000
TOTAL			
APPROPIATIONS	\$4,846,964		\$4,846,964
Reserve	1,603,181		1,603,181
TOTAL	\$6,450,145	\$ 0	\$6,450,145

This Resolution shall be effective upon adoption by City Council.

Signed this 9th day of April 2025.		
	Scott Keyser, Mayor	
ATTEST:		
Christie Teets, CMC City Recorder		

CITY OF MOLALLA



Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, April 9, 2025

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Installation of EV Pole Chargers - City and PGE Collaboration (Corthell/Miller)

RECOMMENDATION/RECOMMENDED MOTION:

Staff is seeking City Council input. If Council agrees to the collaboration, the following motion is suggested:

I move that City staff work in collaboration with PGE to install EV Pole Chargers.

BACKGROUND:

The Municipal Charging Collaboration is an approach wherein PGE designs, owns, operates, and maintains EV chargers in the Right of Way (ROW) and on public property. PGE deploys this infrastructure in collaboration with public entities such as municipalities, regional governments, counties, and state government. Priority is to install chargers within underserved communities as they are least served by the existing market and would benefit the most from the switch to electric transportation.

Expected Outcomes:

- PGE will find potential locations within the City of Molalla.
- PGE will inspect the pole for any potential safe risks.
- PGE will meet with the City of Molalla to collaborate on charger locations.
- PGE will submit permit requests with the City of Molalla.
- PGE will install, operate, and maintain the pole charger.
- PGE will conduct outreach and communications to all customers within a quarter mile of each pole.
- PGE will install EV charging signage and striping at each location.

PGE Pole-Mounted EV Charging Program aims to address several key objectives:

- **Increase accessibility**: By utilizing existing utility infrastructure, we can rapidly deploy charging stations in areas where traditional charging installations might be challenging or cost-prohibitive.
- **Promote equity**: This program will focus on providing charging options in multi-family housing areas and neighborhoods where residents may lack access to private charging facilities.
- **Support City sustainability goals**: By facilitating the transition to electric vehicles, we align with many cities' objectives to reduce carbon emissions and improve air quality.
- **Minimize disruption**: Our pole-mounted design allows for efficient installation with minimal impact on sidewalks, parking spaces, or other City infrastructure.

The installation of charging stations is Level 2 chargers, capable of adding about 25 miles of range per hour to most electric vehicles. They will be available to the public and can be easily located and activated through the PGE mobile app.

Currently, the PGE Municipal Pole Charging Program has 52 active chargers in Salem, Gresham, and Milwaukie, with another 20 in the pipeline. The program has funding that runs through the remainder of 2025 for finding and installing new chargers and then the program will shift to maintenance and operation only. Installation is done by PGE staff and Maintenance will be carried out by a contractor, who will conduct regular site visits to check for any vandalism or potential damage to the chargers as well as monitor and dispatch if the chargers have any technical issues.

The Following locations are potential sites that have been selected within the City of Molalla:

- 1. 114 Grange Ave.
- 2. 114 S Molalla Ave.
- 3. 212 S Molalla Ave.
- 4. 115 Engle Ave.
- 5. 416 Molalla Ave
- 6. 209 Center Ave
- 7. 208 N Molalla Ave.
- 8. 207 N Molalla Ave.
- 9. 117 N Molalla Ave.

ATTACHMENTS:

Muni Charging Product - Molalla 2025.pdf

Municipal Charging Collaboration- Molalla

Adam Reese February 2025





What is the Municipal Charging Collaboration?



PGE wants to collaborate with municipalities on equitable access to public Level 2 charging infrastructure in underserved communities. To do this, PGE will deploy electric chargers on existing power poles as the first step in building electric car charging infrastructure. Next steps include free-standing curbside charging in public right of ways and private property charging stations.



By installing utility pole chargers in neighborhoods on public streets, we are increasing access to chargers to underserved communities, helping promote electricity as a viable fuel for all and increasing the likelihood of more customers purchasing electric vehicles. In turn, more EVs on the road helps Oregon and its municipalities decarbonize their transportation sectors.

Problems we're trying to solve?

Reliable access to public charging infrastructure close to their residence

In PGE's survey of renters, we asked how likely would you consider an EV if you had access to a pole charger in or near your neighborhood:

- 44% of MFH residents and 32% of single-family housing residents responded that they were more likely to consider an EV if they had access to a pole charger
- Of customers who said they had <u>no access to off-street parking</u>, those numbers increased to 55% & 48% respectively

Expected Outcomes

Increased awareness of chargers

Increased EV purchase / lease consideration in community

Increased availability of chargers in underserved communities

Help municipalities reach their climate goals

Increased use of chargers

What is a "Pole Charger"? Link to video













PGE's Commitment

As part of the program, PGE commits to:

- <u>Site Selection:</u> PGE will work with municipalities to select locations that best provide charging to underserved communities at the lowest cost.
- <u>Equipment Selection:</u> PGE has selected tested equipment that has been tested and installed in other states for over 10 years. These chargers are easy to install, use and maintain and have been approved by the OPUC for use.
- <u>Design and Engineering:</u> PGE will design and engineer sites to ensure each site conforms with all applicable codes, regulations, and standards.
- <u>Permitting and Installation:</u> PGE will attain required permits and install all chargers to meet all applicable codes, regulations, and standards set forth by the authority having jurisdiction, at no cost to the municipality.
- Operations and Maintenance: PGE will operate and maintain all charging infrastructure for the duration of the program. Operations and maintenance tasks include remote monitoring, testing and inspection, routine maintenance, and emergency repair as well as customer service.

Collaboration with Municipality

New Process:

- PGE identifies viable poles
- Letter of Intent (LOI) sent to Municipality
- Location Approval by Municipality
- PGE proceeds with permitting
- PGE conducts community outreach
- PGE will put up signage for EV charging
- PGE communicates with Municipality on status of charger installation

Letter of Intent (LOI)

PGE sends Letter of Intent to Municipality to installer EV pole chargers and sets up a meeting to discuss locations.

Location Approval

Locations are reviewed and approved by Municipality. This does not include a signed contract or any financial responsibility from Municipality

Permitting & Outreach

PGE submits necessary permits for approval and begins outreach communication to customers located near locations selected via email and postcards. PGE sends out communications to customers prior and post installation.

Communication

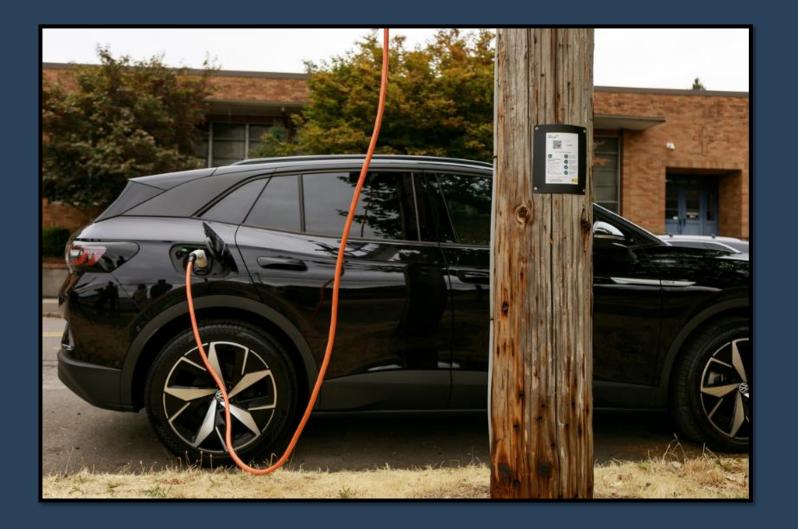
PGE notifies Municipality when EV pole chargers are installed and operation to the public

Signage & Maintenance

PGE will put up signage for EV charging and operate and maintain EV pole chargers for duration of the program

How the Process Flows:

- Site Selection
- Site Approval
- Permitting
- Outreach
- Installation
- Outreach



Municipalities with EV Pole Chargers Installed and Operational

- Gresham: 17 total
 - 12 in 2024, 5 more being installed in 2025
- Salem: 34 total
 - 24 in 2024, 10 more being installed in 2025
- Milwaukie: 17 total
 - 15 in 2023 and 2024, 2 more being installed in 2025





Location Selection

In addition to recommendations from cities, PGE looks at areas that meet HB2165 underserved communities' definition, which includes:

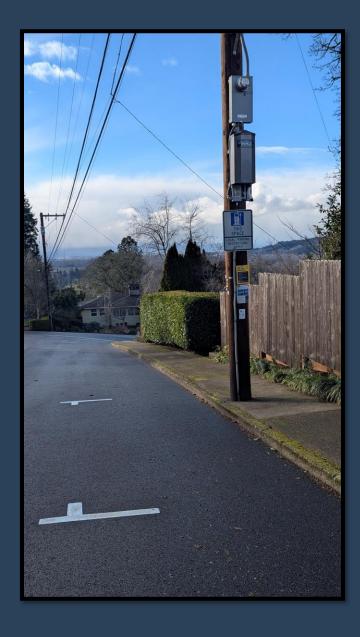
- Residents of rental or multifamily housing.
- BIPOC communities
- Low-income communities (less than or equal to 80% of state median income)
- Tribal, Rural, Frontier or Coastal communities



Pole Selection

Pole selection uses pole attributes, census information, customer demographics information and environmental justice measures to determine the best poles in a municipality. Our program team then reviews each pole for the following:

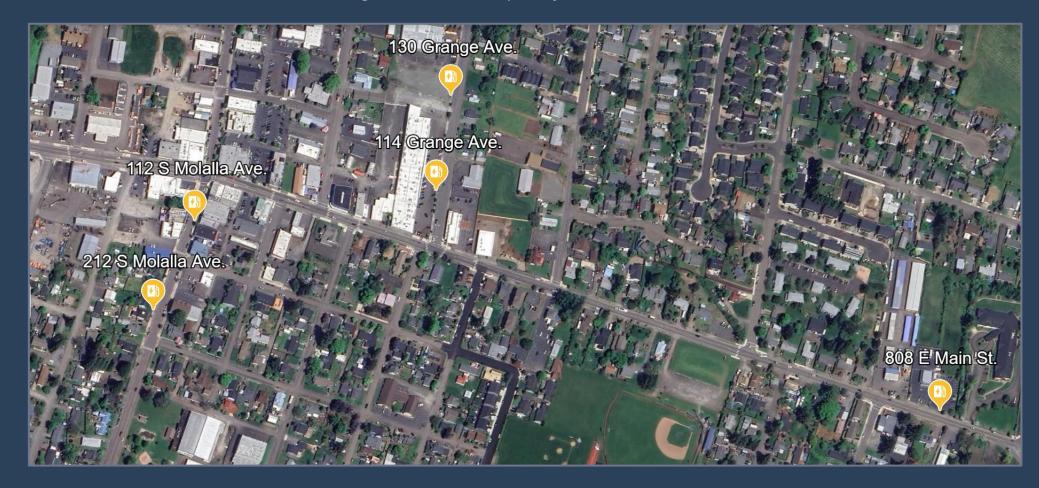
- Proximity of the pole in the right-of-way to the parking spot
- Proximity to the curb
- Age of the pole
- Climbing space
- Parking availability
- Risers
- Objects around the pole (e.g., trees, mailboxes, etc.)
- Transformer Capacity



5 Locations found in Molalla

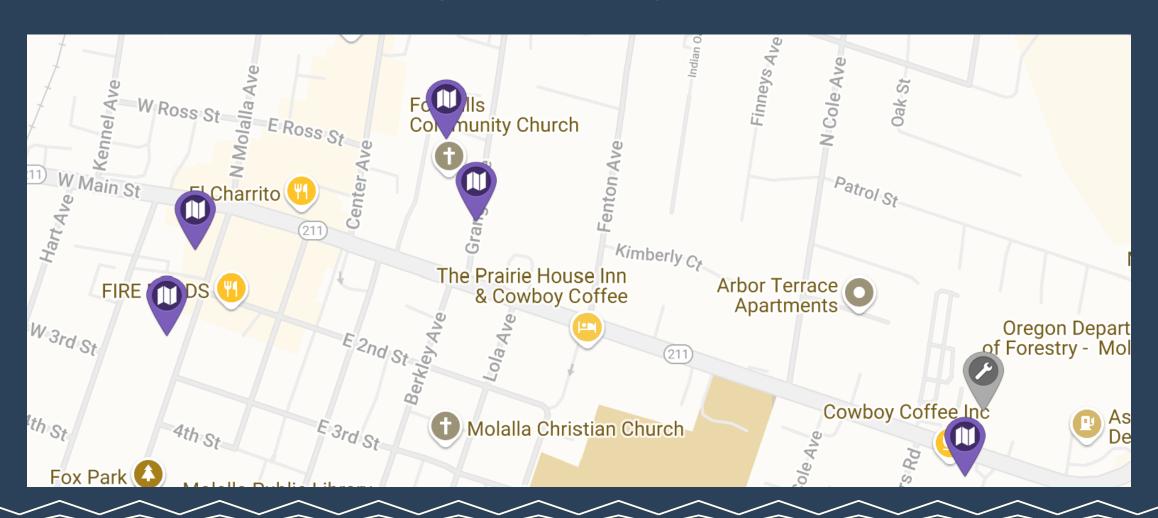
Reasoning: population of renters, median income, and high-income inequality

134 Grange Ave.130 Grange Ave.112 S Molalla Ave.212 S Molalla Ave.808 E Main St.



Comparing Current Plug Locations

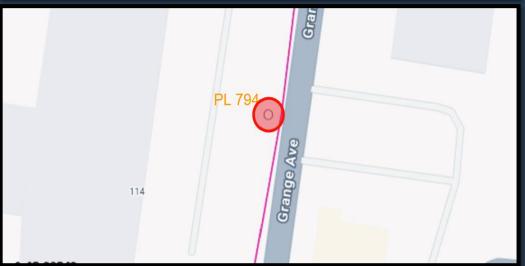
No Plug Locations Currently in Molalla



Location	Numbers of EVs nearby	Median Income
134 Grange Ave.	27	\$51,719

134 Grange Ave - Google Maps





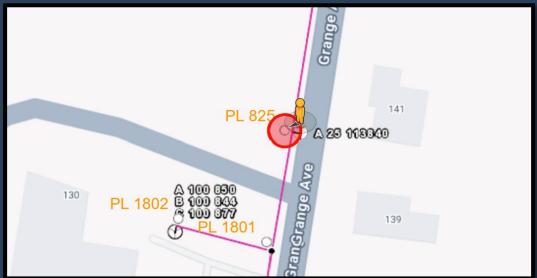




Location	Numbers of EVs nearby	Median Income
130 Grange Ave.	27	\$51,719

130 Grange Ave - Google Maps



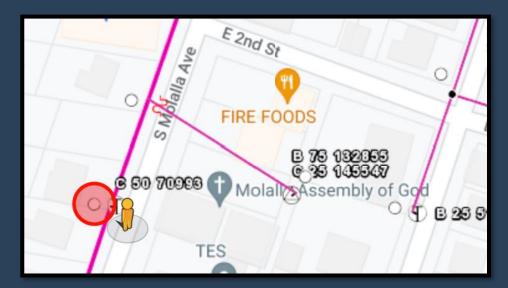






112 S	Molal	la Ave -	Google	e Mans
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LocationNumbers of EVs nearbyMedian Income112 S Molalla Ave27\$51,719



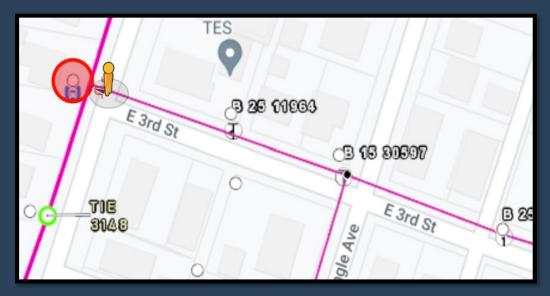






212 S Molalla Ave - Google Maps

LocationNumbers of EVs nearbyMedian Income212 S Molalla Ave27\$51,719



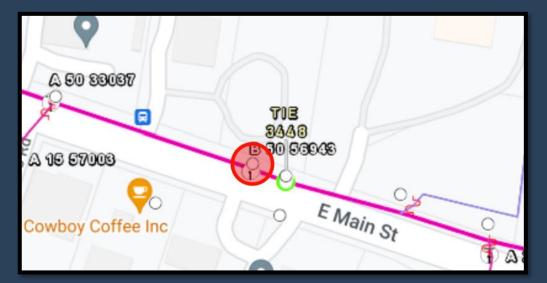


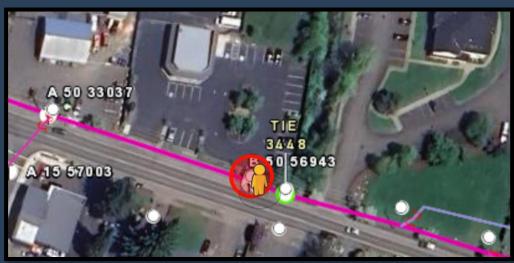




861 Woodburn-Estacada Hwy - Google Maps

Location	Numbers of EVs nearby	Median Income
808 E Main St.	27	\$51,719



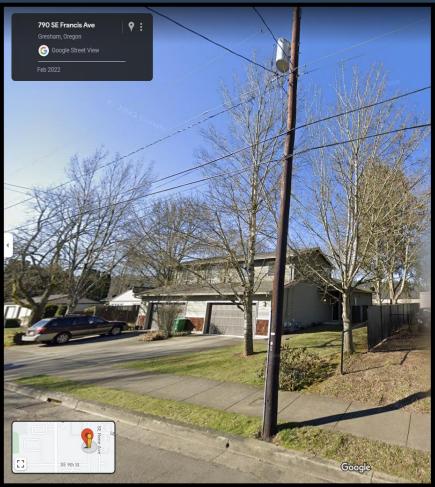


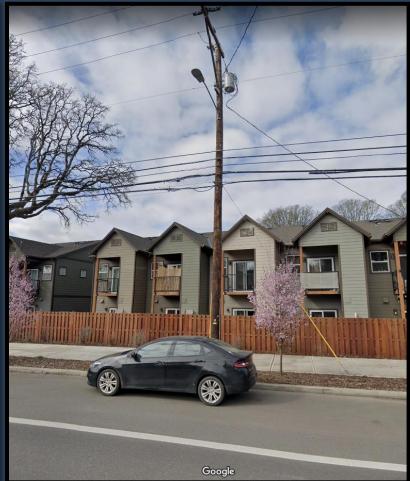




What Makes a Pole Viable?

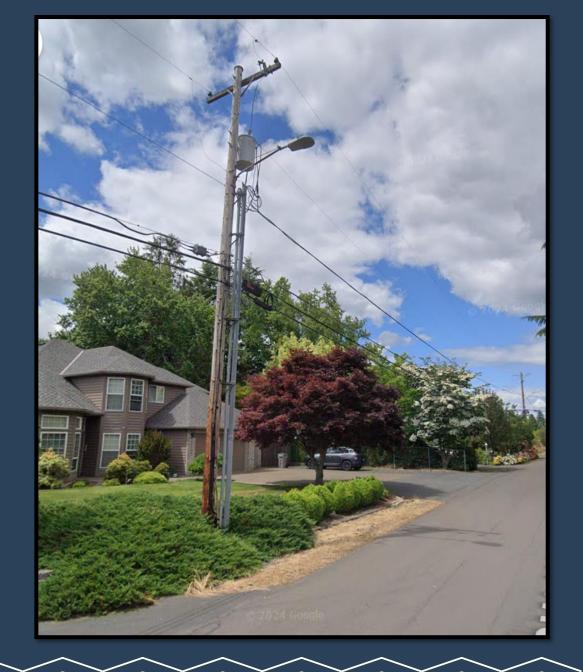
- Lack of equipment on pole i.e. risers, comms box
- Located in the current right-of-way
- On street side of sidewalk (if present)
- Parking availability street parking only, paved road, and not too close to driveways

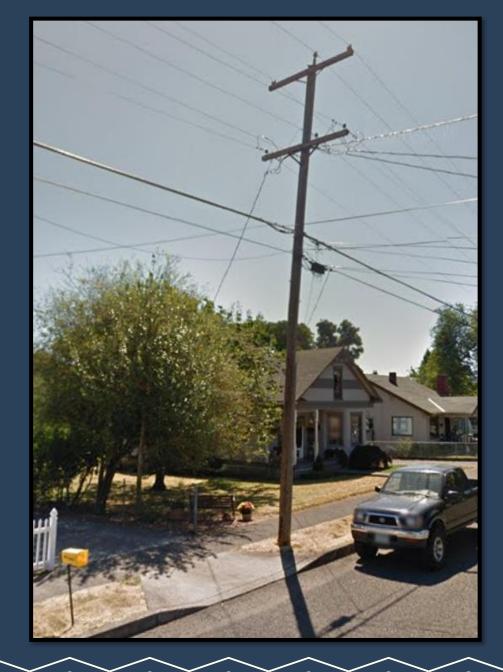




What makes a Pole Unviable?

- Unpaved parking
- No curb
- In someone yard
- Equipment on pole comms, risers, ect.
- No street parking
- Too close to driveway, mailbox, bus stop, or fire hydrant
- Wrong side of sidewalk









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CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, April 9, 2025

SUBJECT: City Manager Contract Renewal (Keyser/Council)

ATTACHMENTS:

Memo from City Attorney - Chad Jacobs CM 2025 Employment Agreement



MEMORANDUM

TO: Mayor and Council, City of Molalla

Chad A. Jacobs, City Attorney's Office FROM:

City Manager's Contract Renewal SUBJECT:

AGENDA DATE: April 9, 2025

Requested Action:

The Council is being asked to approve a new two-year employment contract with City Manager Dan Huff.

Background:

As the Council is aware, under the Charter, the City Manager is appointed by and serves at the pleasure of the City Council. To that end, unlike other City employees, the City Manager has a contract with the City, acting through the Council, which outlines the Manager's terms of employment.

City Manager Huff's current contract with the City, which was entered into in 2023, is set to expire at the end of the fiscal year. Council is being asked to renew this agreement for a new two-year term, which will commence on July 1, 2025 (the beginning of the next fiscal year) and expire tow years later, on June 30, 2027.

The terms of the proposed renewal contract are basically identical to the existing agreement, with two small changes.

- First, the language in Section III(D) related to severance has been updated to remove unnecessary language. Under the existing contract, the severance was a graduated amount based on years of service, which capped out at 12 months. Since City Manager Huff has reached the 12-month cap, there is no longer a need to include the graduated language in the agreement, so it was removed.
- Second, Section IV(A) of the renewal contract provides a cost-of-living adjustment (COLA) to the City Manager's salary for the first year of the agreement equal to 2.6%, which is the same COLA amount being provided to other City employees. Consistent with the existing agreement, the renewal agreement provides a COLA to the City Manager's salary in the second year of the agreement between 1% and 3% as determined



in the sole discretion of the Council. In addition, the renewal contract, again consistent with the previous contract, provides authority to the Council, if it desires, to make other increases to the Manager's salary.

No other changes from the existing contract were made in the draft renewal agreement.

Recommendation: The City Attorney's Office recommends that the Council consider the proposed renewal agreement, and if the Council desires to retain the services of City Manager Huff, adopt a motion authorizing the Mayor to sign the agreement on behalf of the City.

Proposed Motion: I move to approve a new two-year employment agreement with City Manager Dan Huff and to authorize the Mayor to sign the agreement on behalf of the City.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and entered into this _____ day of April, 2025, by and between the CITY OF MOLALLA, OREGON ("CITY") and DAN HUFF ("EMPLOYEE").

RECITALS

- 1. CITY and EMPLOYEE entered into an employment agreement in June of 2023 for Employee to serve as the City Manager for City.
- 2. CITY and EMPLOYEE desire to update the 2023 agreement for the purposes of continuing a professional and businesslike relationship serving as the basis for effective communication and to avoid misunderstanding; and
- 3. CITY and EMPLOYEE, in consideration of mutual covenants herein contained and for consideration herein specified, mutually agree as follows:

SECTION 1. EMPLOYMENT, DUTIES AND AUTHORITY.

- A. CITY agrees to continue the employment of Dan Huff as City Manager. In performing the role of City Manager, EMPLOYEE'S job title shall be City Manager. EMPLOYEE agrees to accept said employment.
- B. CITY agrees to employ Dan Huff as City Manager to perform the functions and duties specified in the Molalla City Charter, ordinances, and resolutions of the City of Molalla and required by state and federal law, as well as to perform other legally permissible and proper duties and functions as CITY shall, from time to time, assign. Duties of the City Manager shall include, but not be limited to, the following:
 - supervise and direct the overall management, administration and direction of City operations;
 - the hiring, disciplining and firing of all City employees/agents except Municipal Judge and City Attorney;
 - the negotiation, execution and administration of City contracts within budget appropriations pursuant to City policy and ordinance;
 - providing policy advice to elected officials;
 - maintaining open communications with the community to foster both responsive and courteous public services;
 - work toward achieving goals set by the City Council; and
 - such other duties as the City Council may, from time to time, assign.
- C. The Mayor and other members of the City Council agree to the principle of non-interference in the administration and management of the City's affairs (as described above in the bulleted points as being within EMPLOYEE's purview as Manager) as being necessary to the orderly and efficient implementation of Council policy and City operations. The Mayor and other members of the City Council agree to direct their individual or collective concerns, communications and inquiries as to the administration and management of the City's affairs to EMPLOYEE and EMPLOYEE agrees to respond within a reasonable time to such

concerns, communications and inquiries (whether made individually or collectively) either with an answer or an estimated time of response with such response to be reasonably expeditious.

SECTION II. TERM.

- A. This Agreement begins on July 1, 2025 and, unless terminated consistent with the terms hereof, continues until June 30, 2027. This Agreement may be renewed by the parties for such additional periods as may be agreed upon in writing and approved by the Council.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of EMPLOYEE at any time, subject only to the provisions set forth in this Agreement.
- C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of EMPLOYEE to resign at any time from his position with CITY, subject only to the provisions set forth in this Agreement.
- D. EMPLOYEE agrees to remain in the exclusive employ of CITY during the term of this Agreement.

SECTION III. TERMINATION AND SEVERANCE.

- A. Termination Without Cause. This Agreement may be terminated by either CITY or EMPLOYEE for any reason whatsoever upon giving thirty (30) calendar days' written notice to the other party.
- B. Termination With Cause. EMPLOYEE'S employment with CITY may be terminated immediately at the sole discretion of the City Council upon the occurrence of any of the following:
 - 1. EMPLOYEE fails or refuses to comply with the written policies, standards and regulations of CITY that are now in existence or are from time to time established;
 - 2. CITY has reasonable cause to believe EMPLOYEE has committed fraud, misappropriated City funds, goods or services to either his own or some other private third party's benefit and/or other acts of misconduct which the City Council believes, in its sole discretion, is detrimental to the City and/or its interests; or
 - 3. EMPLOYEE fails to perform faithfully or diligently his duties as City Manager.
- D. Severance. In the event EMPLOYEE is involuntarily terminated for reasons other than those set out in subsection III(B), then in that event CITY agrees to and will pay EMPLOYEE a severance payment equal to the monetary value of twelve (12) months of Employee's then current salary. Payment of the severance shall be made in one lump sum. In addition, EMPLOYEE shall be entitled to compensation for all earned but unused vacation.

CITY also shall pay EMPLOYEE the cost necessary to continue health insurance benefits as provided under this Agreement, whether through COBRA or otherwise, for three months following termination if EMPLOYEE does not acquire health insurance from another source, such as through other employment, during that time period. EMPLOYEE has an affirmative obligation to notify CITY upon acquisition of other health insurance during this time period.

- D. If EMPLOYEE resigns at the request of the City Council for reasons other than those set out in subsection III(B), then EMPLOYEE may deem this Agreement to be involuntarily terminated without cause and shall be entitled to a severance payment consistent with subsection (C) of this section.
- E. If EMPLOYEE voluntarily resigns his position with CITY before the expiration of this Agreement, then EMPLOYEE shall give CITY at least thirty (30) calendar days' written notice in advance (excluding accrued vacation) and EMPLOYEE shall be available to serve during this period. The City Council, however, shall have the discretion to decide whether EMPLOYEE shall continue in his position during the notice period.

SECTION IV. COMPENSATION, HOURS OF WORK, VACATION AND SICK LEAVE.

- A. Salary. Commencing July 1, 2025, CITY agrees to pay EMPLOYEE \$195,230 (Current salary plus 2.6 % COLA) as a yearly salary to be paid in installments at the same interval as CITY pays its other employees. Commencing July 1, 2026, Manager shall be entitled to receive a Cost-of-Living Adjustment (COLA) to his salary at the same time as a COLA is given to City's Department Heads in an amount between one percent (1%) and three (3%) as determined by the sole discretion of the Council. CITY may, in the Council's sole discretion, increase EMPLOYEE's salary through the budget process without needing to further amend this agreement.
- B. Hours of Work. It is recognized that the proper performance of the EMPLOYEE's duties requires him to observe normal business hours and will also often require him to perform necessary services outside of normal business hours. EMPLOYEE will devote such additional time as is necessary for the full and proper performance of his duties. The compensation this Agreement provides to EMPLOYEE includes compensation for all such necessary services.
- C. Vacation. EMPLOYEE shall accrue 16 hours of vacation benefits per month.
- D. Admin Leave. EMPLOYEE shall have the use of 40 hours of Admin Leave annually.
- E. Holiday Benefits. EMPLOYEE shall receive the same holiday benefits established for management/professional employees consistent with the provisions of the City's most current personnel policies.
- F. Sick leave. EMPLOYEE shall be entitled to the same sick leave benefits as other management/professional employees. No payment will be made by CITY to EMPLOYEE for any sick leave upon termination of employment.

SECTION V. RETIREMENT BENEFITS; HEALTH AND DENTAL INSURANCE.

- A. Retirement. CITY agrees to contribute into the Oregon Public Employees Retirement System on EMPLOYEE's behalf, an amount at least equal to that same percentage of salary contributed for the City's other management/professional employees. CITY will pay EMPLOYEE'S contribution to PERS.
- B. CITY agrees to provide coverage and make required premium payments for EMPLOYEE and any spouse or dependents for comprehensive medical and dental plans to the extent provided in the City Personnel Policies.

SECTION VI. CIVIC MEMBERSHIP, PROFESSIONAL DEVELOPMENT AND EXPENSE.

- A. CITY recognizes the desirability of representation in and before local civic and other organizations, and to the extent funds are available and budgeted by the Council, EMPLOYEE is authorized to become a member of local civic organizations, for which CITY agrees to pay membership expenses including the cost of meals. EMPLOYEE shall determine which civic organizations that he shall become a member of based on the benefits to the City and his duties. He will report his decision to the City for approval.
- B. To the extent funds are available and budgeted by the Council, CITY agrees to pay the professional dues and subscriptions of EMPLOYEE appropriate for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional development, growth, and advancement, and to improve his performance in his duties as City Manager of the City of Molalla.
- C. To the extent funds are available and budgeted by the Council, CITY agrees to pay the registration, travel, and subsistence expense of EMPLOYEE for professional and official travel, meetings, and occasions deemed necessary or desirable to continue the professional development of EMPLOYEE and to adequately pursue necessary official functions of the City. Major expenses such as out of town attendance at meetings requiring lodging and meals shall be reviewed and be approved in advance by the Council.
- D. CITY recognizes that certain expenses are incurred by EMPLOYEE on behalf of the CITY and agrees to reimburse or pay reasonably necessary expenses upon receipt of appropriate documentation. An annual budget for expected expenses shall be set by the Council each year after consultation with EMPLOYEE and any expenses in excess of the budget or extraordinary expenses must be approved in advance by the City Council.

SECTION VII. ANNUAL GOAL-SETTING AND ANNUAL PERFORMANCE EVALUATION.

- A. The Mayor and City Council will evaluate the performance of EMPLOYEE not later than March 31 of each year.
- B. The Mayor and the City Council shall periodically identify concerns to EMPLOYEE either

- by informal discussions with EMPLOYEE or more formally. The City Council shall meet with EMPLOYEE at least once annually prior to June for the purpose of setting City Council goals and priorities.
- C. The City Council and EMPLOYEE shall meet at least annually (and not later than March 31st) to evaluate and assess EMPLOYEE performance in meeting or progressing towards the goals formally adopted by the City Council and EMPLOYEE as well as the exercise of authority granted in Section I of this Agreement. These annual evaluations shall be in closed Executive Sessions, provided they are conducted consistent with Oregon's Public Meetings Law.
- D. In the event CITY determines that the performance of EMPLOYEE is unsatisfactory in any respect or needs significant improvement in any area, the Mayor and City Council shall describe these concerns in writing and in reasonable detail or with specific examples so as to be objective in nature.

SECTION VIII. GENERAL PROVISIONS.

- A. Professional Liability. CITY agrees to defend, hold harmless and indemnify EMPLOYEE from any and all demands, claims, suits, actions and legal proceedings brought against EMPLOYEE by a third party in his individual capacity, or in his official capacity as agent and employee of CITY, consistent with the terms of the Oregon Tort Claims Act (ORS 30.260 to 30.300).
- B. Nothing shall restrict the ability of CITY and EMPLOYEE to amend or adjust the terms of this Agreement. However, no amendment or adjustment shall be valid unless in writing and signed by both CITY and EMPLOYEE. EMPLOYEE reserves the right to discuss the terms of this Agreement with the City Council as a whole in either closed Executive Session or open Regular Session as state law allows and as EMPLOYEE deems appropriate.
- C. Severability. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable and shall not be affected, and shall remain in full force and effect.
- D. Mediation. Should any dispute arise between the parties regarding the terms of this Agreement, the employment relationship created thereby or the terms of any Exhibit or work or services covered thereby, it is agreed that such dispute will be submitted to a mediator prior to arbitration. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Portland, Oregon unless both parties agree otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a party requests mediation and the other party fails to respond within ten days, or if the parties fail to agree on a mediator within ten days, a mediator shall be appointed by the presiding judge of the Clackamas County Circuit Court upon request of either party.
- E. Arbitration. In the event the parties have a dispute concerning the terms of this Agreement,

the terms and conditions of the employment relationship or the violation of any federal, state or local law relating to the employment relationship (and they have not otherwise resolved the matter through the mediation process set out in subsection (D) above) then the dispute shall be resolved by arbitration in accordance with the then effective arbitration rules of (and by filing a claim with) the Arbitration Service of Portland, Inc., and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof. Each party shall bear equally the expense of the arbitrator and all other expenses of conducting the arbitration. Each party shall bear its own expenses for witnesses, depositions and attorneys.

- F. No Third-Party Beneficiaries. This Agreement confers no benefits or imposes any duties on anyone other than CITY and EMPLOYEE.
- G. Integration. This Agreement contains the entire Agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject.
- H. Headings. The headings used in this Agreement are solely for convenience of reference, are not part of this Agreement, and are not to be considered in construing or interpreting this Agreement.

SECTION IX. NOTICES.

A. Any notice or other communication required or permitted to be given under this agreement shall be in writing and shall be mailed by Certified Mail, Return Receipt Requested, postage prepaid, addressed to the parties as follows:

CITY: Mayor City of Molalla 117 N. Molalla Avenue Molalla, Oregon 97038

EMPLOYEE: Dan Huff 19483 Ashley Drive Oregon City, Oregon 97045

Either party may change such addresses from time to time by providing written notice to the other in the manner set forth above.

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice or alternative method where actual notice is shown. Notice shall be deemed given as of the date of personal service or as of the date of deposit of written notice with the United States Postal Service.

[Signatures on Following Page]

IN WITNESS WHEREOF, the CITY OF MOLALLA, OREGON has caused this Agreement to be signed and executed by its MAYOR and DAN HUFF has signed and executed this Agreement, both in duplicate, the day and year first written above.			
For CITY:	For EMPLOYEE:		
Scott Keyser Mayor, City of Molalla	Dan Huff Employee		